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2 Takeovers Underscore Weakness Of Oil Prices

Total to Buy Petrofina, And Exxon Confirms Acquisition of Mobil

By Mitchell Martin
International Herald Tribune

NEW YORK — Plunging oil prices were widely cited as the reason behind two big energy-company takeovers announced Tuesday, including Exxon Corp.'s planned acquisition of Mobil Corp. for more than \$80 billion in the largest-ever corporate combination.

In Europe, Total SA of France announced a two-part purchase of Petrofina SA of Belgium, valuing the company at about \$11 billion. Petrofina's operations are concentrated in refining and marketing, diluting Total's reliance on the production of energy, a commodity whose price has been sliding as world economic growth weakens.

A year ago, crude oil futures on the New York Mercantile Exchange traded above \$19.40 a barrel. On Tuesday, they were quoted at \$11.08.

The latest round of weakness in oil prices was linked to the failure of the Organization of Petroleum Exporting Countries to reduce petroleum production, traders said. The oil cartel held a meeting last week but failed to address a growing glut of petroleum.

At the same time, the slowing global economy continues to reduce demand for basic commodities such as oil.

Another deal that reflected these deflationary pressures was the decision announced Tuesday by Hoechst AG of Germany and Rhone-Poulenc SA of France to join their drug and agrochemical businesses as a preliminary step to an overall merger. Before that can happen, the companies are planning to sell their commodity chemicals operations, which face competition from lower-wage operations in Asia and global oversupply. (Page 15)

One way to combat the collapse in energy prices is for companies to merge and cut overlapping operations. Analysts expect Exxon Mobil Corp., as the new company is to be called, to shed more than 10,000 jobs from the combined 122,000 of the two companies. The increased size of the companies will also create economies of scale that could pose problems for smaller competitors, especially in Asia.

The U.S. oil giants expect to achieve \$2.8 billion in "near-term pretax synergies," according to a joint statement by Lee Raymond and Lucio Nofre, the current chairmen of Exxon and Mobil. "The merger will significantly enhance shareholder value by enabling us to manage the combined assets of Exxon and Mobil to produce a higher return on capital employed than either company could achieve on a stand-alone basis," the statement added.

Exxon Mobil would be the biggest oil refiner in the world. Along with Royal Dutch/Shell Group and the combination of British Petroleum PLC and Amoco Corp., it would form a triumvirate of giant companies that would be at least twice as large as any of their competitors. Based on 1997 figures from the Fortune 500 rankings, Exxon Mobil had \$182 billion of sales; Royal Dutch had \$122 billion; and the combined BP and Amoco, \$104 billion. Total Fina, by contrast, would have \$46.5 billion, making it one of the biggest of the second tier.

Exxon and Mobil were part of the

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Paul Chasson/The Associated Press

Quebec Separatists Win 5 More Years

Premier Lucien Bouchard getting a victory hug from his principal adviser, Bob Dufour, as the Parti Quebecois was returned to power in provincial elections. But the victory was less than full, with the showing by the Liberal Party undercutting separatists' hopes for seeking independence from Canada. Page 3.

House Panel Adds Campaign Funds Issue to Clinton Inquiry

By Brian Knowlton
International Herald Tribune

WASHINGTON — Dramatically widening the impeachment inquiry of President Bill Clinton, the Republican-dominated House Judiciary Committee voted Tuesday to seek testimony from Justice Department officials who have called for Mr. Clinton to be investigated for possible campaign finance abuses.

The move, which came even as the inquiry had been winding toward a conclusion, drew angry objections from the White House and Democratic congressmen.

Joe Lockhart, the president's spokesman, said that the investigation had been "hijacked by extremists."

White House aides said the move reflected Republican disarray and a lack of evidence of impeachable offenses.

Democratic members of the committee denounced the vote as a "fishing expedition."

They said it would make a mockery of the inquiry, which until now focused on allegations that Mr. Clinton committed perjury, obstructed justice and abused his presidential powers to hide a sexual relationship with Monica Lewinsky.

But the committee chairman, Henry Hyde of Illinois, said the panel was "duty-bound" to explore any allegations.

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Storm Cloud Over the EU

Bonn-Paris Rift Threatens to Block Expansion

By William Drozdiak
Washington Post Service

POTSDAM, Germany — A deepening policy rift between France and Germany is threatening to paralyze efforts to reform the 15-nation European Union and block its planned expansion process to embrace up to a half-dozen new members, mainly former Communist countries in the East, within the next few years.

The divisions between Paris and Bonn, whose relationship is often described as the motor that propels efforts to achieve European unity, were laid bare Tuesday on a wide range of issues following a two-day summit meeting that illustrated how competing national interests are pushing the two allies apart.

Despite grandiose rhetoric extolling the close friendship between their countries, French and German leaders found themselves sharply at odds over nuclear energy, plans for a Continental arms industry to compete with the United States, Germany's demands to cut its EU payments and France's refusal to accept any reduction in farm subsidies.

In the past, German governments have been inclined to pay a disproportionate share of the EU bill and accept France's political primacy in return for reconciliation with their neighbors and steady progress toward European unity. But the arrival in power of Germany's first postwar generation, embodied by Chancellor Gerhard Schröder, has signaled a clear break with unreserved German financial support for the European Union.

In their first meeting with Mr. Schröder since he swept to power in

September elections with a new governing coalition of Social Democrats and Greens, President Jacques Chirac and Prime Minister Lionel Jospin of France discovered that the present German government seems much less willing than its predecessors to defer to French wishes and keep funding costly programs that mainly benefit Germany's partners.

The meeting brought together more than two dozen ministers to discuss almost every aspect of the French-German relationship in the shadow of the impressive 18th-century palaces where Voltaire shared philosophical exchanges with Frederick the Great. But the declared purpose of revitalizing bonds between the Continent's two leading countries seemed overwhelmed by their incompatibility of views on key positions.

Mr. Schröder emphasized that Germany, which will assume the rotating presidency of the European Union in January, wanted to achieve a major overhaul of EU programs, known as Agenda 2000, by March. But at the top of the list, Mr. Schröder insisted, is Germany's demand for a significant rebate on the \$12 billion net contribution it makes to the EU each year.

Germany also wants to curtail the Union's farm support program, which consumes up to 70 percent of the EU budget, by having national governments assume more of the burden. But France, which receives a hefty share of farm subsidies than any other member, spurns any reduction as politically unacceptable.

Mr. Schröder and Mr. Chirac took

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Paris Joins London on A Push for Defense

By Joseph Fitchett
International Herald Tribune

PARIS — London and Paris have agreed on a joint defense initiative that would give the European Union a voice in military affairs for the first time, even as EU members' armed forces remained within NATO, French and British officials said Tuesday.

The objective is to launch a defense policy that would strengthen Europe's image and ability to act in regional crises or other missions where Washington does not want to commit troops, while reinforcing the European role in NATO.

Essentially, the accord would involve dissolving the Western European Union, an independent defense body, and transferring its rudimentary military assets to the EU, the sources said.

This move, which would create direct links between the EU and the North Atlantic Treaty Organization for the first time, marks the biggest step yet in the often frustrating efforts by Europeans to find ways to do more about their own defense. Although some details were still being refined, officials said, the outlines of a deal could emerge this week at a British-French summit meeting in St. Malo, France.

The shift would change little in practice in an era when U.S. clout via NATO seems indispensable to handling European crises. But simplifying the structures, a British official said, "removes a bone in our institutional throat" and brings together European political ambitions and military power in a way that could spur stronger support for action.

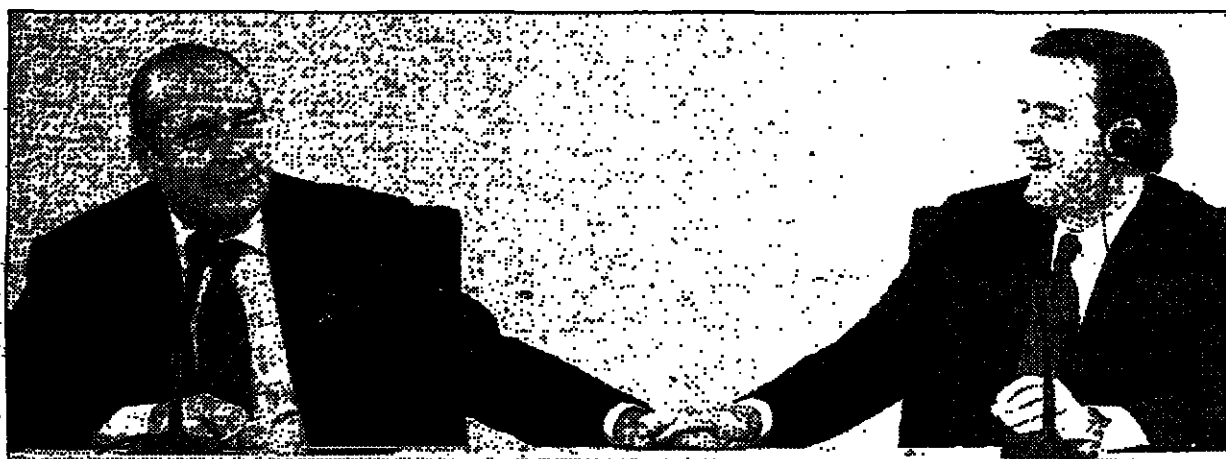
"It's done," said an aide to President Jacques Chirac of France, who said the agreement on essentials was reached last week.

British officials said the initiative had come from London. For both countries, an official said in London, the bottom line is that "individually, our countries can only field marginal forces alone or with the Americans, but together we could put 30,000 men on the line and make ourselves noticed by anyone."

Even though France and Britain have often seemed at odds over how to balance their commitments to the United States with a potential role for Europe, they are the only two European nations that can field significant forces for combat anywhere. As a result, other European countries must follow any French-British lead on defense, just as they have followed French-German leadership on monetary policy.

Even Germany has no political alternative to acquiescing once London and Paris agree on future defense arrangements, especially in light of the view — held in Bonn as

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President Chirac and Chancellor Schröder concluding a news conference Tuesday after the Potsdam summit.

Beijing Seizes 2 Prominent Dissidents

Detainees Had Been Attempting to Form an Opposition Political Party

By Elisabeth Rosenthal
New York Times Service

BEIJING — Two of China's most prominent dissidents have suddenly been arrested for criminal offenses, apparently in a crackdown on their recent efforts to form China's first opposition political party, human-rights group and relatives of those taken into custody said Tuesday.

Over the past six months, the two dissidents — Xu Weili of Beijing and Qin Yongmin from the southern city of Wuhan — had been involved in a small loose nationwide network of political activists who have become increasingly bold in their efforts to start what they call the China Democratic Party.

The two are longtime dissidents who

have each spent more than a decade in jail for pro-democracy views and are well accustomed to police surveillance, occasional house searches and trips to the public security bureau for questioning.

But relatives and human-rights groups agreed Tuesday that the arrests were extraordinary and far more ominous.

In Beijing, 20 officers from the Public Security Bureau burst into Mr. Xu's home at 9 P.M. Monday with a detention form. They arrested Mr. Xu and spent the next three hours searching his house, confiscating his computer, fax machine, telephone, address book, and various other documents.

"This is the third time this year they've come here but, from their at-

titude, I think it was much more serious this time," said Mr. Xu's wife, He Xintong. "The other times they just took the fax. This time, there were more officers and they were in more military uniforms. And they searched much more closely than they did before — they even looked under the beds and in closets and they took phone receipts and bank transaction forms."

Miss He is still waiting to be notified of the crime of which Mr. Xu is accused.

In the case of Mr. Qin, his family told a human-rights group that security officials notified them that he was being charged with "threatening state security," a grab bag of crimes that often

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Turning a Page, Digitally

Electronic Books Begin to Find Their Place

By Ethan Bronner
New York Times Service

NEW YORK — At Virginia Commonwealth University, sociology students use a textbook that exists only online. It sends them to related Web sites, has recorded lectures they can rewind and offers discussion areas that supplement and enliven their classroom discussions.

In Texas, the state Board of Education is planning a pilot program to distribute electronic books and laptop computers next fall to thousands of high school students.

Some works of fiction now can be found on-line and downloaded for reading. And development is under way in Japan on a vending machine for the distribution of digital magazines, which could be downloaded on a cassette and read on a hand-held device.

With futurologists having mistakenly predicted the end of the printed page for several decades now, no one is preparing a eulogy for the traditional book. Television did not doom radio, video did not kill film, and electronic publishing will probably not end print.

But with two electronic book devices on the market, an exponential increase in reference and scholarly material available on-line, many experts say that the shift from page to screen, once a fantasy, is now approaching reality.

And there are those, like Jeff Rothberg, a senior computer scientist at the Rand Corp., who say they can see the day when books printed on paper will be viewed "more as objects d'art than things we use all the time."

Valerie Raymond, an editor at McGraw-Hill, said: "I am a book person and I never believed I would want to give up the books I carry around with me. But I'm starting to think of myself

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AGENDA

French Museum Sued Over Looting

PARIS (AP) — The heirs of a Jewish art collector whose claims for a Nazi-looted painting by Georges Braque were rejected have sued the Georges Pompidou Center in Paris on charges of receiving stolen property, their lawyer said Tuesday.

The suit is believed to be the first of its kind in France.

Antoine Comte, the lawyer representing the heirs of Alphonse Kann, charged that the Pompidou Center acquired "Le Joueur de Guittare" (The Guitar Player) in 1981 knowing of its wartime past.

In Washington, meanwhile, the United States opened an international conference on property looted by the Germans during World War II by saying that it was ending its inquiries into Swiss banks and Holocaust victims' gold. Page 2.

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"Distressed" Pinochet Leaves Clinic Page 10.

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The IHT on-line www.ihtr.com

The Dollar

New York	Tuesday @ 4 P.M.	previous close
DM	1.684	1.694
Yen	122.15	123.135
FF	5.646	5.6815
Pound	1.5543	1.5478

The Dow

Tuesday close	percent change
+16.99	S&P 500 +0.19%

Nasdaq

Tuesday close	percent change
+11.57	Nasdaq +1.00%

Single Currency Gets A Variety of Envoys

In their search for a representative for the single currency at international meetings, finance ministers from the 11 countries adopting the euro next year agreed Tuesday to send the European Commission. But they also decided to send a minister from the country holding the revolving European Union presidency — or, if that country has not adopted the single currency, from the country next in line. Page 15.

Risk of Social Crisis Rising In Asia, UN Agency Finds

By Philip Segal
International Herald Tribune

HONG KONG — While some upbeat forecasters are saying the Asian economic crisis has bottomed out, an agency of the United Nations said Tuesday that the region's social crisis was far from over and was likely to get worse.

The International Labor Office, the secretariat of the International Labor Organization, said in a report released here that the lack of unemployment benefits in the region had inflicted unnecessary suffering and hardship and called for fundamental changes to provide a social safety net.

"Just as the Depression in the 1930s forged a new social contract in industrialized countries," said Eddy Lee, the author of the report, "so must the current Asia crisis serve as an impetus to creating a more socially oriented model for development."

Economic stagnation or even economic growth of only 1 percent could lead to another round of violent protests because there is no social safety net to help cushion the effect of the kind of restructuring companies are bound to make in any recession, the agency said. "Downsizing happens," said a

spokesman for the agency, John Doo-han. "The question is how to make the transition feasible. How do you keep it from boiling over?"

In Indonesia, unemployment has tripled to 15 percent in just over a year, creating the kind of social pressure that has spilled into bloody rioting. Disagreements among Malaysia's leadership over the hard economic decisions facing the country led to the dismissal of the deputy prime minister, Anwar Ibrahim, and clashes between police and demonstrators in favor of Mr. Anwar, who is now being tried on a series of criminal charges that he says are politically motivated.

The agency contends that with minimal unemployment insurance for urban workers in large companies, financed by a payroll tax of about 1 percent, a lot of the social pressures in Asia might have been reduced to below the boiling point.

The report said that in countries as poor as or poorer than many in Asia, some form of unemployment insurance existed: Employees in Egypt are entitled to 16 to 28 weeks of benefits when they lose their jobs, depending on payroll con-

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The Empire of Conrad Black / 437 Publications and Counting

A Media Baron at Home in the Big Leagues

By Steven Pearlstein
Washington Post Service

TORONTO — It was well after midnight when the phone would ring. The reclusive father, well into his cups, would ask what books the son was reading or what his professors were saying. Then the old man would report on his latest investment gambit or deliver the latest gossip from Toronto's notoriously insular business community and, in particular, Argus Corp., from which he had been sent into an early and humiliating retirement.

Before long, the conversation would turn to history and talk of the great men: Caesar, Napoleon, Lincoln, Roosevelt, Churchill, de Gaulle. Father and son would refight the major battles and controversies, debating strategy and tactics. Then father might grill the boy on the monarchs of England or the tonnage of all the ships in the Queen's navy, just as he had since the son was a boy.

Thirty years have now passed, and the father, George Montagu Black Jr., has long since died. But thanks in part to his nocturnal tutorials, the son has become the powerhouse the father had hoped he would. He has the erudite wit of William F. Buckley, the lifestyle of the Aga Khan and the deal-making prowess of Henry Kravis. He can also boast that all three are friends.

Surely what would be most pleasing of all to old George Black, however, is that his 54-year-old son now presides over a \$3 billion-a-year world publishing empire that is the direct descendant of Canada's preeminent industrial conglomerate, the old Argus Corp.

Conrad Moffat Black is a corporate wheeler-dealer, conservative intellectual and social-climbing egotist. Not since the financier Max Aitken transformed himself into Britain's Lord Beaverbrook has a Canadian achieved such an international profile. His publishing realm of 437 newspapers and magazines with a circulation of 6.6 million has grown to be the world's third-largest and is gaining on Washington-based Gannett Inc. and Rupert Murdoch's News Corp.

It was a biography of William Randolph Hearst that first sparked the young Black's fascination with newspapers — the writing of them and the business of publishing them, but most important the power and influence and notoriety they invest in their owners. He bought his first one — a money-losing summer weekly with a circulation of 800 — when he was only 22. He combined it with another, brought it out year-round and quickly sold it at a profit. Over the next 20 years, the process was repeated as he snatched up small, undistinguished papers across Canada and the United States and spun them into gold.

Mr. Black's first move into the media big leagues did not come until 1985, however, with the purchase of a 14 percent interest in the Daily Telegraph, the biggest of London's quality dailies, which had suddenly found itself badly short of cash. In announcing Mr. Black's investment, A.M. Stephens, managing director of the Telegraph, declared confidently to his assembled colleagues that "Mr. Black has no known interest in the newspaper business and is an entirely passive investor."

Within six months, Mr. Black had absolute control of the venerable London broadsheet. With breathtaking speed and not an ounce of sentimentality, he sent its aristocratic management packing, broke the back of the paper's unions, rejuvenated the news columns and built a state-of-the-art printing facility. Within four years, the Telegraph was throwing off \$100 million in profits each year. Mr. Black used the money to buy other papers around the world.

"Mr. Black landed history's largest fish with history's smallest hook," an envious rival, the late newspaper publisher Robert Maxwell, once said.



Conrad Black with the financial section of his new National Post. He is intent on reshaping the daily newspaper business in Canada.

These days, Londoners know Mr. Black as a feisty proprietor locked in a fierce circulation war with Mr. Murdoch's Times. He has become the leading torch-bearer for Thatcherism and a behind-the-scenes player in the Tory party. At the same time, he and his wife, the proudly sultry conservative columnist Barbara Amiel, have become a fixture on the London social scene. The authoritative society magazine The Tatler recently calculated that they are the 11th-most-sought-after party guests, right behind their friends Prime Minister and Mrs. Tony Blair.

IN THE United States, Mr. Black's influence so far is largely confined to the scrappy Chicago Sun-Times, along with several hundred small-town weeklies and dailies. After dropping out of the bidding for the New York Daily News in 1992, Mr. Black has made no secret of his desire to snare another big and influential American paper.

But it is in his native Canada that Mr. Black is known best. Torontonians remember him as the rich kid who was bounced from the country's most elite private school for selling copies of final exam questions he had purloined from the headmaster's office. His father urged leniency on account of the entrepreneurial spirit he had shown.

As a bumptious young raider, he became renowned for running roughshod over executives, directors, government officials and unions who dared stand in his way. Through it all, he rarely missed an opportunity to challenge the mushy leftist consensus that defines Canadian politics and has found uncritical support in its major news outlets.

Now Mr. Black is poised to reshape that consensus. With recent acquisitions, his Hollinger Inc. now controls 61 of Canada's 105 dailies, accounting for more than 40 percent of daily newspaper readership. The country's leading magazines on business and culture are part of his empire. And last month, Mr. Black launched his own coast-to-coast daily that has become a must-read in business and political circles and claims to have already equaled the circulation of the other national daily, the venerable Globe and Mail.

FOR MR. BLACK, who has committed the equivalent of \$100 million to the project, the launching of the National Post is the latest installment in a life scripted long ago and executed with ruthlessly un-Canadian determination.

In a country too often characterized by dull and comfortable mediocrity, Mr. Black looms as a flashy, larger-than-life figure who inspires equal measures of loathing, envy and respect. Where Canada is insecure, he is hyper-confident, even arrogant; where it is provincial, he is internationalist, where it eschews controversy and candor, he embraces them.

Mr. Black is a large man with an easy, fleshy smile and a charming manner that belies his bully-boy reputation. His conversation tends to be rhetorically baroque and intellectually subtle, larded with obscure vocabulary and historical allusion. "I'm very high on Conrad," said Richard Perle, a hawkish Pentagon official during the Reagan administration who now heads Hollinger's digital publishing division. "He's got a good practical sense, a scholar's scope and comprehension and not inconsiderable personal charms."

He has also got an unquenchable desire to collect the well known or influential. The list of Hollinger's directors and international advisers includes former Secretary of State Henry Kissinger, former Prime Minister Margaret Thatcher, former President Valéry Giscard d'Estaing and even the broadcaster David Brinkley. Andy Warhol painted his picture and Princess Diana dined at his table. He has become a faithful attendant at those annual confabs for the rich and powerful — Davos, Bilderberg and the meetings of the Trilateral Commission.

"He's an elitist in the best sense of that word," says Richard Burt, the former U.S. ambassador to Germany and a Hollinger director, part of a Washington network that also includes the Democratic power broker Robert Strauss and the columnist George Will.

"I realize the allegation is about that I am somewhat of a seeker of celebrities and, in one sense, I suppose that is true," Mr. Black told the biographer Richard Siklos. "But my purpose is that celebrities who are justly celebrated can be very useful to you. I'm interested in relationships that can be useful. I'm not interested in just trotting these people around."

Mr. Black thrives on lobbying rhetorical stink bombs into the corridors of political correctness. A middle convert to Catholicism, he once characterized the church's liberal wing as "trendy clerics mouthing socialist platitudes and depicting God as our pal jogging along beside us."

During the late 1980s he was forever chastising the former liberal premier of Ontario, Bob Rae, for his "sodomization of the private sector." He once described Rene Levesque, father of the Quebec independence movement, as a "repulsive little gnome — greasy, twitchy and specious."

"No doubt a lot of people find him to be frightfully pompous," Daniel Colson, chief executive of the Telegraph, told the Wall Street Journal. "I think he's just different. He likes to be controversial, and he is."

U.S. Completes Inquiry Into Swiss Banks' Loot

By David E. Sanger
New York Times Service

WASHINGTON — Opening a 44-nation conference here to examine issues from repatriating stolen art, land and buildings to resolving billions of dollars in insurance claims on Holocaust victims, the Clinton administration has declared that its investigations into Swiss banks and Nazi gold are essentially closed.

The start of the three-day conference at the U.S. Holocaust Memorial Museum on Monday night, which began with a silent procession of death-camp survivors, is intended to end diplomatic and legal strife with Switzerland and find ways to solve the problems surrounding the investigations.

This year Swiss banks reached a \$1.25 billion settlement with Holocaust survivors and Jewish groups. But new suits were filed against Italian and German insurance companies, Ford Motor Co. and the German banking giant Deutsche Bank, which formally announced Monday its multibillion-dollar takeover of Bankers Trust.

It is unclear whether Deutsche Bank will be under pressure to settle the suits as the merger winds its way through the regulatory process.

The historical disputes that periodically resurface surrounding Ford and the Opel division of General Motors Corp. — the use of slave labor by corporate subsidiaries that were nationalized by Nazi Germany — are not on the agenda of the conference. However, European officials say the new German government is quietly negotiating with German industry over some kind of compensation plan similar to the one negotiated with Swiss banks.

"Our goal is to have a framework for settling all these issues by Dec. 31, 1999," Stuart Eizenstat, undersecretary of state for business affairs and the leader of the American investigations into World War II assets, said in an interview Monday. "We want to accomplish the maximum economic restitution possible after the passage of 50 years, but equally important the moral accountability that will help us enter the new millennium and learn the lessons of the greatest travesty of the 20th century."

Investigators reported, however, that they had run into a blind alley in their major effort to determine how much gold the Nazis deposited in the "Meltzer Account," the code name for the German Reichsbank account that held gold looted from the homes, pockets and dental work of Holocaust victims.

Much of that gold, the United States argues, was later melted into "monetary gold" that had been stolen from central banks around Europe. The United States and Switzerland still differ on the amount of "victim gold" that ultimately flowed through Swiss accounts.

"It is one of our biggest disappointments," Mr. Eizenstat said.

Although it was never determined how much personal gold was mingled with monetary gold, Britain and the United States persuaded more than a dozen other countries to give up their claims on six tons of monetary gold still sitting in the basement of the Federal Reserve Bank of New York. Now the proceeds from the sale of that gold will be used to support Holocaust-related programs, from education for schoolchildren to the care of destitute World War II survivors.

With the settlement with the Swiss banks completed in August, the scholars, art dealers, insurance executives, government officials, Jewish leaders and others at this week's conference are turning their attention to other assets looted by the Germans, especially insurance, real estate and art.

An international commission is looking into the complex insurance question and will most likely take years to determine what the insurers owe. Meanwhile, California, Florida and New York have threatened sanctions against insurance companies, mostly European, that do not fully cooperate.

Schools, community centers and other real estate properties confiscated from Jews, many in Eastern Europe, are now being used on an everyday basis, and governments are reluctant to turn them over to their original owners.

The most prominent cases, however, involve art. Although many confiscated works were returned after the war, some were sold and others were incorporated into various European museums.

No one knows how many works are involved, or their value. Jonathan Peatropolis, a historian at Loyola University in Baltimore, estimates in a paper to be delivered at the conference that 10,000 to 100,000 objects are still missing, even though a far larger number were returned shortly after the war, mainly by the Allied armies. "One of the things we hope to do with the conference is begin to crystallize that," Mr. Eizenstat said.

In South Africa, Servants Get A Bill of Rights

Agence France-Press

JOHANNESBURG — The traditional relationship between South Africa's maids and "madams," a remnant of the country's white colonial past, entered a new era Tuesday as formal work contracts became compulsory.

"We have started to launch an information campaign" about the new contracts, "because most of the workers do not know anything about it," said Hester Stephens, spokeswoman for the South African National Domestic Workers' Union.

The contracts formalize the working relationship for the first time and are compulsory in terms of the new Basic Conditions of Employment Act, which came into effect Tuesday after being adopted this year, despite resistance from business.

The union estimates that South Africa has at least 2 million domestic workers, making the sector the largest employer in the country.

The prevalence of white "madams" and their black maids is the focus of the hugely popular "Madam and Eve" comic strip, which mocks the still exploitative nature of the relationship.

As in the cartoon, "many of these domestics live on their employer's premises and are expected to be on 24-hour call," a study by Johannesburg's respected Wits University has found.

In a near-revolution, the new contracts force employers to fix their domestic worker's weekly working hours, define their duties and provide for paid annual leave. Employers also have to be able to justify dismissing an employee and give 15 days' notice.

TRAVEL UPDATE

French Rail Services Still Irregular

PARIS (AFP) — Strikes are expected to disrupt French rail services for a sixth straight day Wednesday, but traffic should be back to normal on most high-speed TGV trains.

The state-owned SNCF railroad said that traffic Tuesday was running normally in only 7 of 23 regions as ticket inspectors demanding extra staff refused to return to work. Drivers who went on strike Friday have gone back to work.

On Wednesday, the high-speed Eurostar to London as well as the Thalys to Brussels, Amsterdam and Cologne are run on schedule, while TGV services on the Atlantic network in the Southwest as well as the Paris-Grenoble line will be back to normal, the SNCF said. The Southeastern TGV network as well as mainline trains to western, southwestern and central France will be disrupted, however.

Gasoline Shortages Hit Greek Cities

ATHENS (Reuters) — A strike by customs employees caused fuel shortages in Athens and other major Greek cities Tuesday and further disrupted cross-border traffic between Greece and its northern neighbors.

Cars formed long lines at the few gasoline stations that still had fuel, but station owners said supplies would last another

day at most. The strikers are protesting government plans to merge their pension plans with other state plans. Government ministers were meeting the customs officers' union in an effort to reach a deal.

Air Passenger Traffic Drops in Asia

GENEVA (AFP) — Airports in Asia and the Pacific suffered a 5 percent fall in passenger traffic in August, the only region worldwide to post such a decline that month, an industry group said Tuesday.

About 40.67 million passengers passed through Asia/Pacific airports in August, 5.1 percent less than in the corresponding 1997 period, the Airports Council International said. Growth in passenger traffic was strongest in Latin America and the Caribbean, where it rose 9 percent to 10.87 million. Europe saw a 6.4 percent rise in air passenger traffic to 89.8 million. North America's 0.8 percent increase to 117.4 million, and the Middle East a 3.6 percent rise to 6.23 million.

EgyptAir will postpone the start of regular flights to the Gaza Strip at the request of Palestinian aviation officials. The airline said Tuesday that the Palestinian authorities had asked for the delay because of technical problems at the new airport. EgyptAir did not spell out the problems, however. Service had been due to begin Dec. 11.

Nigeria will close its land borders from midday Friday to 6 P.M. Saturday while the country votes in local elections, the Interior Ministry announced Tuesday. The borders with Benin, Niger, Chad and Cameroon will be shut "to prevent foreigners from infiltrating into the country to vote," a ministry spokesman said.

Austrian Airlines will ban smoking on all flights within Europe and to North America starting Jan. 1, with all its flights becoming smoke-free by March 28.

Correction

A Reuters dispatch carried in Tuesday's editions incorrectly identified Mohammed Erian. He is an analyst at Salomon Smith Barney.

WEATHER

Forecast for Thursday through Saturday, as provided by AccuWeather.

Europe				Asia			
City	High	Low	Wind	City	High	Low	Wind
Amsterdam	54	41	W 10-15	Beijing	54	37	W 10-15
London	54	41	W 10-15	Delhi	54	37	W 10-15
Paris	54	41	W 10-15	Hong Kong	54	37	W 10-15
Stockholm	54	41	W 10-15	Manila	54	37	W 10-15
Warsaw	54	41	W 10-15	Seoul	54	37	W 10-15
North America				Africa			
City	High	Low	Wind	City	High	Low	Wind
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ASIA/PACIFIC

Timing of China's Move on Spratlys Raises Asian Suspensions

By Michael Richardson
International Herald Tribune

SINGAPORE — Despite its assurances of peaceful intent toward Southeast Asia, China is enforcing its claim on much of the South China Sea at a time when its smaller neighbors are being forced to cut back military spending.

This is raising suspicions, according to officials and analysts, that Beijing is taking advantage of an Asian financial crisis that has forced slower growth in military muscle and spawned less cohesion among rival Southeast Asian claimants to islands in the same waters.

The focus of regional concern centers on Mischief Reef, a part of the disputed Spratly Islands in the South China Sea that has again brought the Philippines and China to the point of confrontation.

In a forceful reaffirmation of its rights

in the area, China on Tuesday demanded the immediate release of 20 Chinese fishermen detained on Sunday by the Philippine Navy near the reef, which both Beijing and Manila claim as part of their territory.

"We call on the Philippines to immediately release the fishermen and take effective measures to prevent such incidents from happening again," the Foreign Ministry spokesman, Tang Guoqiang, said in Beijing. "We are seriously concerned about this."

Describing the arrests as "illegal," he also urged Manila to release the six impounded Chinese fishing vessels.

A senior Philippine official said Tuesday that the fishermen would be released "after an appropriate time" and a lecture about not poaching in waters

claimed by the Philippines. But the official, the presidential executive secretary, Ronaldo Zamora, said that similar incidents were bound to recur and that he expected the navy to continue arresting intruding fishermen.

The Spratlys are claimed wholly or in part by China, the Philippines, Vietnam, Taiwan, Malaysia and Brunei. All the claimants, except Brunei, maintain armed garrisons on the islands they occupy. The area, a valuable fishing ground, contains extensive reserves of oil and natural gas.

On a visit to Singapore on Friday, China's defense minister, Chi Haodan, said that Beijing wanted to settle all territorial and maritime disputes in the South China Sea peacefully.

He added, however, that the Spratly Islands, which the Chinese call the Nansha Islands, had been China's territory

since ancient times and that China had "indisputable sovereignty over the islands and the seas around them."

A Western intelligence official said that as with China's policy toward Taiwan, Beijing has refused to forswear the use of force to resolve territorial claims in the South China Sea.

"In fact, China's own territorial law charges the armed forces with enforcing territorial claims in the South China Sea," he said.

The official added that the fact that major sea lanes pass near the Spratly Islands made the potential for conflict there a matter of strategic significance and concern to the United States.

"China continues to pursue maritime dominance at the same time that improvements in the naval forces of ASEAN have been severely retarded by the financial crisis," the official said,

referring to the regional grouping of the Association of South East Asian Nations.

The Philippines has one of the weakest navies and air forces in Southeast Asia while China, which has been less harmed by the financial turmoil and economic slowdown in East Asia than its neighbors, is continuing its military modernization program.

Tension between China and the Philippines flared anew last month over Mischief Reef when Manila accused Beijing of sending armed naval ships to the area to build what it said were permanent structures for possible military use. It produced detailed photographs to support its case.

"There is a frantic, massive construction going on," said the Philippine defense secretary, Orlando Mercado. "They're putting up barracks. There are cement structures that are a precursor of possible piers. Later on, they will have the capability to berth some of their biggest ships."

He asserted that the Chinese intent was to "reiterate their claim that the entire South China Sea is a Chinese lake."

Mischief Reef is only 185 nautical miles west of the Philippines. It is many times that distance from Hainan Island, the most southerly undisputed Chinese territory in the South China Sea.

Beijing rejected Manila's protest and refused to remove the facilities, saying they were fishermen shelters that had been damaged by storms and needed repair.

China built the first of the structures on the reef in 1995, prompting outrage in the Philippines and a confrontation between Chinese and Philippine naval vessels that stopped just short of an exchange of fire.

"Neither China nor the Philippines want to see conflict erupt in the area," said Ralph Cosentino, executive director of the Pacific Forum CSIS think tank in Honolulu. "But unilateral military construction activity is one of a wide range of precipitating actions that could lead the region into a conflict no one desires."

He said that military ships from opposing sides patrolling in disputed areas could easily get into an exchange of gunfire, which could further escalate into naval engagements.

"Some nations may find it difficult to back down gracefully from such stand-offs in claimed sovereign territory," Mr. Cosentino added.



A volunteer handing out leaflets on AIDS in Beijing on Tuesday.

China Favors Education In Fight Against AIDS

Reuters

BEIJING — China marked World AIDS Day on Tuesday by unveiling an ambitious program to curb the spread of HIV, amid dire predictions the country could suffer a devastating epidemic if nothing is done.

The program aims to limit the spread of HIV, the virus that causes AIDS, in 10 years through improved education about sexually transmitted diseases, the official Xinhua press agency said.

It said the rapid growth of sexually transmitted diseases "had sounded an alarm bell for AIDS control in China, even though the majority of current HIV carriers were infected by sharing contaminated needles."

The plan attributed China's AIDS crisis to a rise in intravenous drug use and prostitution among rural youth and migrant workers, many of whom lack even basic knowledge of HIV.

On Monday, a senior Beijing-based World Health Organization official cautioned of a drastic rise in the number of victims in China.

"If no action is taken, there is not active education, there could be 10 million HIV cases by the year 2010," said the WHO technical officer, Alan Schnur.

In early November, the Ministry of Health said the country had 11,170 confirmed HIV cases. Of those infected, 338 had developed full-blown AIDS and 184 had already died.

The virus was spreading quickly in China's eastern and southern boomtowns, with Guangdong province recording 100 new HIV cases in 1998, bringing the total number of people infected to 402, provincial health officials said. Beijing has posted a three-fold increase in infections from the previous year.

In eastern Shanghai, the number of confirmed HIV carriers leapt more than 30 percent to 183 this year, official tallies showed.

Health officials said the actual number of HIV patients in China could be as high as 300,000 because only blood donors along with high-risk groups such as prostitutes and drug addicts had been tested.

The ministry also predicted that the number of HIV cases would top 1 mil-

lion by 2000 if effective action was not taken.

"Ordinary people are short of knowledge about AIDS," said Wu Zanyun, an AIDS expert at the Chinese Academy of Preventive Medicine.

"Half of them believe shaking hands or eating together could transmit HIV and 60-70 percent believe a mosquito bite would infect them with the virus."

Asian Nations Sound the Alarm

Government officials and health advocates in Asia marked World AIDS Day with calls for urgent efforts to stop the spread of the disease. The Associated Press reported.

In Japan, the Health Ministry organized rallies and charity concerts in a central Tokyo square to publicize the threat of AIDS and demonstrate support with those suffering from the disease.

In Hong Kong, bars, restaurants and nightclubs handed out coasters encouraging safe-sex practices.

In India, which with 3 to 5 million HIV-infected people has been among the hardest-hit nations, hundreds of school children marched beside prostitutes in the capital to draw attention to the epidemic.

40 Hurt as Monks Fight at Seoul Temple

The Associated Press

SEOUL — Nearly 40 people were injured, some seriously, as rival Buddhist monks fought through the night Tuesday for control of a temple in central Seoul.

Most of the injured were mainstream monks who tried to regain control of Chogye Temple's administrative building, which has been held by dissident monks for three weeks.

The police said one Buddhist man was hospitalized with serious head injuries suffered during the clashes, which began Monday afternoon and continued until early Tuesday morning.

The temple, headquarters of the largest Buddhist order in South Korea, was turned into a battleground by hundreds of gray-robed monks as they threw

empty bottles and wielded clubs. The Chogye order has often been engulfed in leadership struggles.

The latest dispute was over an attempt by the head of the order, Song Wol Ju, to seek a third four-year term. Opponents seized his office early this month, effectively blocking his re-election.

A rule stating that the order's chief monk cannot serve more than two terms was enacted in 1994 in an attempt to prevent the office from wielding too much power. Mr. Song has said the rule could not be applied in his case, because his first term, in the early 1980s, was interrupted by a dispute with the then-military government.

The head of the order controls an annual budget of \$9.2 million, millions of dollars in property and has the right to

appoint 1,700 monks to various duties.

The latest confrontation occurred as about 2,000 monks from across the country attempted to regain control of the temple and its administrative building.

About 800 monks holed up inside the building repelled the attack by spraying fire extinguishers and hoses and hurling rocks and furniture.

After the invading monks withdrew at dawn Tuesday, the temple grounds were strewn with broken bottles, sticks, burned furniture and garbage.

About 1,200 riot police stood by but did not intervene. Past police interventions in religious disputes have embarrassed the force.

With 8 million followers, Buddhism is the largest religion in this nation of 44 million people.



A wounded monk escaping the Chogye Temple fray early Tuesday.

BRIEFLY

EU Plans Talks With North Korea

BRUSSELS — Officials of the European Union and North Korea will hold their first talks here Wednesday on issues ranging from human rights to food aid to security on the Korean Peninsula.

"We are quite pleased North Korea has agreed to debate a 'broad agenda of issues,'" an EU spokesman said Tuesday, adding that the EU wanted to see whether Europeans could have a regular political dialogue with North Korea.

EU representatives will include officials from Austria, Britain and Germany and the director-general of the European Commission's foreign affairs office, Paddy Whelan of Sweden.

The spokesman would not speculate on why North Korea had agreed to talks and could not give a list of North Korean participants. (AP)

Burma Bars Visas For U.K. Officials

LONDON — Burma will refuse visas to British ministers and government officials who want to visit the country, Britain's Foreign Office said Tuesday. The officials said the ban did not apply to other European Union countries.

Foreign Office officials said they regarded the move, which was to take effect immediately, as an acknowledgment of Britain's leading role in pushing Burma to improve human rights and start talking with opposition leaders such as Daw Aung San Suu Kyi. Her party, the National League for Democracy, won the last free elections, in 1990, and she has since faced harassment by the military government, which refused to accept the result. (Reuters)

Warning by Bhutto

ISLAMABAD, Pakistan — Former Prime Minister Benazir Bhutto warned Tuesday that Pakistan was moving toward a judicial system like neighboring Afghanistan's.

In a letter to international human rights groups as well as several heads of state, Miss Bhutto said Prime Minister Nawaz Sharif's government was intent on imposing "a Taliban-like system of justice" on Pakistan. Miss Bhutto has been a vocal opponent of Mr. Sharif's efforts to pass a constitutional amendment to bring Islamic rule to Pakistan. The lower house of Parliament already has approved the amendment. (AP)

Hun Sen Sets Goal

PHNOM PENH — Prime Minister Hun Sen said Tuesday that Cambodia wanted peaceful settlements to border disputes and that the country's admission to the Association of Southeast Asian Nations would facilitate solutions.

Mr. Hun Sen was sworn in as prime minister Monday after the National Assembly passed a vote of confidence in him and his new coalition government. (Reuters)

CHINA: Beijing Arrests 2 Who Seek to Form an Opposition Party

Continued from Page 1

carry sentences of three to 10 years, but that can be longer if the criminal is considered a leader in serious anti-government activity.

Three other Democratic Party members were also arrested Monday, according to the Information Center for Human Rights and Democratic Movement in China.

Although the fledgling China Democratic Party was not specifically mentioned in any of the arrests it was clearly the ultimate target.

All of the men have been involved in repeated unsuccessful efforts to register the Party with Chinese authorities in recent months.

Miss He said that when the police ransacked Mr. Xu's home, "when they found things related to the China Democratic Party, they went through them very carefully and then took them away."

Chinese leaders have not commented directly on the party. But just last week, Li Peng, the head of the National People's Congress, pointedly told the business magazine Handelsblatt that groups which "seek a multiparty system and try to

negate the leadership of the Communist Party, will not be allowed to exist."

The China Democratic Party has been a persistent source of irritation and anxiety for the Chinese leaders over the past six months, a buzzing mosquito whose bite is probably harmless, but which is rarely silent and never seems to go away.

Composed of dissidents from more than a dozen Chinese cities, its members have had almost weekly run-ins with the government in one city or another as they have tried time and time again to gain some official recognition for their party, mostly by trying to register it with local officials; party members have also tried to run in village elections. It has been a small but remarkably coordinated effort in a country that normally takes great pains to isolate its political dissidents.

Of course, none of the Democratic Party's efforts to gain recognition have been successful, and many have resulted in brief detentions by local policemen and warnings that the party is illegal. But party members like Mr. Xu and Mr. Qin have been unwilling to take "no" for an answer, and when they hit one dead end they back up and head out in another direction.

Some are undertaking hunger strikes to protest the detention of party members in distant cities. In late October, Mr. Xu theoretically announced that he was planning to set off on a drive from Beijing to eastern Shandong Province to show support for a party member there whose wife had been dismissed from her job and whose phone and electricity had been turned off by local authorities.

On Nov. 8, long after they had been warned by authorities that their pursuits were pointless and illegal, 53 Democratic Party members — including Mr. Xu and Mr. Qin — jointly applied to China's central State Council for permission to work on forming a new party, said the Information Center of Human Rights and Democratic Movement in China, a Hong Kong Human Rights group.

The party, whose by-laws support democratic ideals from elected officials to free speech, maintains that the Chinese Constitution does not specifically forbid alternate political parties. Its organizers add that since China signed the International Covenant on Political and Human Rights this fall, the government should let the activists have their say, as respectful opponents.

ASIA: UN Agency Sees Social Effects of Economic Crisis Worsening

Continued from Page 1

contributions. Workers in Tunisia, Algeria and Brazil — all poorer per-capita than Malaysia — have access to some form of unemployment insurance.

Even in some of Asia's richest economies, proposed wage cuts have threatened to cause major social or economic dislocations. With Hong Kong's economy shrinking by 7 percent a year and unemployment at a 15-year high of 5.3 percent, 12,000 workers at Hong Kong Telecom in September threatened industrial action after management announced a 10 percent pay cut.

When the government of Hong Kong appeared to back the workers, management proposed a series of performance-based bonuses for all staff and increased the amount of consultation with workers over pay levels.

In cases of pay cuts, as opposed to outright dismissals, Mr. Lee said, "you

can't do that in a vacuum without participation, without consultation."

In Asia, "even if most of the countries return to slight positive growth by the end of 1999, the social crisis will still continue," he added. "It's probably going to get worse before it gets better."

In many countries, the reduction in excess capacity and the liquidation of insolvent banks and companies have barely begun. Countries such as Thailand and Indonesia are struggling with new bankruptcy laws and with court systems that are used to dealing with commercial matters in years or decades, instead of months.

"Without unemployment insurance, every restructuring is a life-and-death issue for people," Mr. Doonan said. "This turns it into an economic death sentence."

There have been examples of wage reductions and major restructuring carried out peacefully in Asia. Singapore

last month announced a multibillion-dollar cost-cutting package that would reduce the average resident's income by at least 15 percent, but few places in Asia have the kind of social cohesion seen in that prosperous city-state.

Mr. Lee's report rejects the idea that because unemployment insurance programs would take 18 months or more to set up, there is not much point in establishing them as the economic crisis begins to resolve itself.

As Asian nations move toward higher value-added manufacturing and become more service-oriented, labor costs rise, and industry will find greater ways to flexibly labor forces, he said. As to the argument that Asia's small families are sufficient to take place of income insurance, Mr. Lee answered that the large rise in unemployment "should sweep away any lingering illusions about the adequacy of traditional safety nets."

Herald Tribune

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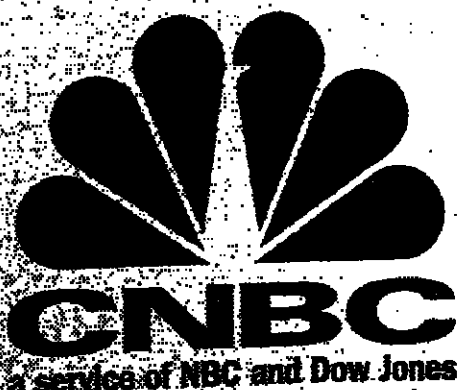
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EDITORIALS/OPINION

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Russia and the IMF

Russian officials desperate for more dollars from the IMF have settled on two rather odd tactics. One is to insult the Fund, which—according to Prime Minister Yevgeni Primakov—employs “young kids who’ve seen almost nothing in life” and who, “without knowing our situation, start to dictate or recommend some kind of development plans.” In addition, Russia has taken to threatening the Fund—with all the terrible things that Russia will do to itself if more loans are not forthcoming. Foremost among these self-inflicted wounds, Mr. Primakov warns, will be printing more rubles to make up the shortfall, a strategy likely to result in hyperinflation.

Presumably, IMF officials will not make decisions based on personal pique. They certainly understand that Mr. Primakov, with his insults, is playing to a domestic audience. But the damage he does is not primarily to IMF egos. His blaming of outsiders is corrosive domestically because it fosters Russian understanding of what Russians must do to solve their economic problems. Putting a gun to his own head isn’t any more effective; it

simply further erodes international confidence in his government. It makes no sense for the IMF to lend large sums to the Russian government if that government has no sensible plan to restore the nation’s economic health. The money will be frittered away, as past loans have been, and future generations of Russians will be left with more debt. Russia needs to collect more taxes. It needs to adopt a realistic budget. It needs a host of reforms that neither the IMF nor any other outsider can impose.

This does not mean that the Fund, the United States or other friends of Russia should just cut the country loose. There are kinds of assistance that continue to make sense, even as the government flounders. These include programs championed by Senator Richard Lugar and former Senator Sam Nunn to safeguard and reduce Russia’s nuclear arsenal; programs aimed at deepening Russian democracy; and assistance to independent media, environmental groups and other nongovernmental organizations trying to enrich civil life.

—THE WASHINGTON POST.

Palestinian Corruption

President Bill Clinton’s call on Monday for a new multibillion-dollar international aid package for the Palestinians is a necessary complement to the peace agreement that he helped put together in Maryland this fall. That diplomatic deal remains wobbly. It can be reinforced by showing that peace delivers tangible economic and social gains to ordinary Palestinians. But outside financial assistance will be effective only if the Palestinians can curtail corrupt practices in administering the aid.

The additional \$400 million in American aid that Mr. Clinton endorsed can also be a means of discrediting Yasser Arafat from following through on his threats to proclaim an independent Palestinian state when the original timetable of the Oslo peace agreement expires next May.

About \$2 billion in international aid has been provided to the Palestinians since 1993. Most has gone into specific projects, supervised and monitored by the donor nations. The \$500 million already provided by Washington has been used to produce better water access for Palestinian towns, loans for local businesses and financing for Palestinian elections. Mr. Clinton now

wants Congress to supply additional money for the industrial zones, airport and seaport agreed to in Maryland.

Through careful supervision, Washington and other donor nations can minimize the improper diversion of this assistance. But corruption poses a potentially serious problem in other areas. For example, the Palestinian Authority needs outside funding for community social welfare projects to keep up with those now offered by organizations like Hamas. But such money, much of it flowing through the hands of Palestinian political appointees, is especially vulnerable to misuse by corrupt officials.

An internal Palestinian audit last summer found instances of serious fraud and mismanagement within the Palestinian Authority.

Mr. Arafat has not addressed the problem. That cannot be the end of the issue. Palestinian legislators and aid-giving nations must insist that he crack down on corruption. The Palestinian Authority will forfeit both domestic legitimacy and world respect unless it deals firmly with those who steal money meant to improve the lot of the Palestinian people.

—THE NEW YORK TIMES.

Chiapas Syndrome

The world press snapped up the Zapatista rebel movement when its leaders wearing black ski masks surfaced in Mexico’s remote and desperate Chiapas province and, thinking big, demanded the removal of an elected president and the surrender of an undefeated army. Five years later, although the president and the army remain on the scene, “Chiapas” has come to mean not simply a particular insurrection but also a condition of disorder mocking the country’s capacity to govern. Chiapas is in Mexico, but the disorder it exemplifies is found in many parts of the world and gives many others reason to keep a nervous eye on how things are unfolding at the scene of the real thing.

The insurgents have been able to sustain a local physical presence, and an international media presence, but have done little to improve life for their constituencies among the poor and indigenous. This suggests the tenacity of the popular grievances on which the movement feeds.

It suggests as well the difficulties of the Mexican government. The government portrays Chiapas as a political conflict with some violence. The comandantes portray it as a continuing class war with some dialogue. For the government, the purpose of the dialogue is to gain the time and space to advance its reforms. But the guerrillas repudiate the official mediators and use the fitful dialogue to string the authorities along.

The Zapatista leadership is devoted to a primitive Marxism at odds with what the rest of the world has learned about change in the 20th century. The alienation of the 35 percent Mayan Indian population in Chiapas is centuries old. But President Ernesto Zedillo, struggling to modernize, is forced to rely on the same corrupt

ruling party, the PRI, blamed for paramilitary outbursts like the one that left 45 indigenous dead, and no one punished. At Acteal a year ago.

Many Mexicans, although they may not agree on a prescription in Chiapas the place, understand that “Chiapas” the anarchic condition compels urgent engagement. The Zedillo government, which says that in Mexico political and social change cannot be achieved by force of arms, needs to listen to its own advice.

—THE WASHINGTON POST.

Other Comment

Whatever Tehran’s diplomats might say, among the Iranian elite there is near-unanimous agreement that the edict against Salman Rushdie is a permanent sentence, one which both constitutes government policy and at the same time is beyond the competence of government to affect.

The brand of Islam practiced in Iran distinguishes between two types of religious pronouncements, a *fatwa* and a *hukm*. The former remains valid only during the lifetime of the religious authority who issues it; the latter continues in effect beyond his death. Despite the Western habit of referring to the edict against Mr. Rushdie as a *fatwa*, Iranian spokesmen have universally regarded it as a *hukm*.

Iran’s missiles and weapons of mass destruction are the equivalents of lurking assassins. Swearing over President Khatami’s improved tone will not protect us from those threats. Mr. Rushdie is likely to be protected by his giddy insistence that Ayatollah Khomeini’s edict is no more.

—Daniel Pipes, writing in Commentary (New York).

The Chinese, Too, Have Much to Apologize For

By Jonathan Mirsky

LONDON — Jiang Zemin pulled every traditional Chinese stop during his tour of Japan that ended on Monday. He made a point of referring to history as the “mirror” in which the present learns from the past. That figure of speech was used more than 2,000 years ago by the Han dynasty historian Sima Qian, who chose castration rather than silence when he persevered in telling the truth about disasters.

No one can object to President Jiang’s insistence that the Japanese face up to the atrocities that their troops committed in China before and during World War II, and stop evading the facts in their historical education of the young. And how right he was to say: “I, as a witness of history, have the responsibility to convey the historical facts to the younger generation.”

Most interesting of all was his visit to the Japanese university where, like many young Chinese near the beginning of this century, Lu Xun, who would become a great essayist, sought understanding of how an Asian country could modernize. One of Lu Xun’s most famous essays contains the phrase “eat people” as a metaphor for the constant cruelty of Chinese society.

This metaphor could be applied to

most of the Communist period. But in Japan Mr. Jiang ignored Clio, the Greek muse of history, and neglected her mother, Mnemosyne, goddess of memory. So do many of China’s foreign apologists. I cannot count the number of times I have been urged to “stop harping on the past” when I refer to what has happened to Chinese citizens during the last 50 years.

I have been told the same thing by Chinese officials and by Hong Kong’s chief executive, Tung Chee-hwa—within minutes of his observing that Japan must confront its past.

The word “incident” is used by the Japanese to describe the Nanjing massacre of 1937, when the Imperial Army killed 300,000 Chinese, and by Beijing about the Tiananmen killings of 1989, when hundreds if not thousands of Chinese were killed by their own army. In both cases “incident” is used to deny and diminish.

Mr. Jiang goes somewhat further, as he did when President Bill Clinton was in Beijing earlier this year, by claiming that the Tiananmen killings were necessary to maintain national stability.

When it comes to the Cultural Revolution, described officially in China as the greatest catastrophe in the Communist period, there has been no written apology to the millions of victims. Nor is there a museum commemorating the disaster, as Ba Jin, China’s greatest modern novelist, has suggested there should be. In one Chinese county, Red Guards literally ate their enemies.

There was an earlier period when “eat people” became a vast reality: the famine of 1959-1961 after Mao’s crazed Great Leap Forward. Between 30 and 50 million people starved to death (37 years later this number remains impossible to fix); the living ate the dead. This famine is rarely officially discussed, and never apologized for.

Nor are there apologies to the 400,000 victims, dead and alive, of the anti-rightist movement of 1957-1958, including Prime Minister Zhu Rongji. Deng Xiaoping, who oversaw it as general secretary of the Chinese Communist Party, maintained years later that it had been necessary.

Nor has anyone in a position of authority apologized for the thousands or tens of thousands murdered during the land reform of the early 1950s.

Naturally, no one apologizes for the

“extrajudicial” victims shot by the security organs every year in numbers which Amnesty International estimates are greater than those executed in the rest of the world combined.

In 1980, Hu Yaobang, then the party general secretary, did an extraordinary thing while in Lhasa: He apologized for the sufferings that Tibetans had endured under Chinese rule. This was held against him and was part of the reason he was removed from office in 1987.

Mr. Hu’s unique honesty on many matters explains why students poured into Tiananmen Square immediately after his death on April 15, 1989, and why the staff of the People’s Daily, the party’s newspaper, marched into the square bearing a wide banner saying “No More Lies.”

President Jiang is right to harry the Japanese about their war guilt. But, like all Marxist rulers, he imagines that Clio can be invited here, repelled there. He forgets that Mnemosyne is not so easy to rebuff — 1.3 billion Chinese, 1.3 billion memories.

The writer is a former East Asia editor for The Times of London. He contributed this comment to the International Herald Tribune.

From an Ethiopian Valley, Good News After the Bad

By Mulugeta Abebe

WASHINGTON — For many, “Ethiopia” remains synonymous with “famine.” People remember television images of starving children at feeding centers in the mid-1980s. In the past three decades perhaps 2 million Ethiopians have died in periodic famines.

But nearly 60 million of us are still living in a country that has favorable farming conditions and an ancient history of agricultural innovation. Our challenge is to reverse harmful practices of the past century.

A major culprit is the decline of forests, which covered 40 percent of Ethiopia a century ago. Today the figure is less than 4 percent. Deforestation has turned much fertile crop and pasture land into dust bowls. Such were conditions in 1983-1984, when failed harvests triggered the great famine.

But deforestation can be prevented and reversed, as demonstrated by a World Vision project involving 50,000 people on 600 square kilometers in the Ansoikia Valley.

Like much of Ethiopia, the

50-kilometer-long valley was thick with vegetation and animal life two generations ago. But a growing population needed trees for cooking, heat, fences and homes. Meanwhile, farmers cleared land for crops.

Relief workers arriving in 1984 described the valley as a moonscape. “The land was smoking, dust was everywhere, and there was no life in sight,” said one farmer. Like tens of thousands of others, he moved his family to a feeding center.

Along with food, medicine and dollars, Western relief workers and their Ethiopian counterparts from Addis Ababa brought development expertise — as well as their own preconceived notions about farming — as they planned ways to overcome hunger permanently.

Ansoikia lacked roads and bridges. Public works projects began as part of relief efforts. To increase the tree cover, a large-scale nursery was started. Labor was provided by health-ier adults in the feeding centers

on a food-for-work basis. Hill-sides were terraced to create new farmland and reclaim old. Dams and other water projects aided irrigation.

The principle behind agroforestry is as old as the earth. Trees provide shade, fuel, wood, livestock feed and construction material. Leguminous trees fix nitrogen in the soil. Deep-rooted plants bring nutrients to the surface, rejuvenating the soil for crops and pastures surrounding the trees. Trees and cover crops prevent soil erosion and absorb standing water that breeds malaria-carrying mosquitoes.

Fruit and nuts from trees add nutrients to the diet not found in grain or meat. Having another source of food, and often income from surpluses, makes families less vulnerable when grain crops fail or animals die.

In the first years, flaws emerged. Farmers did not feel ownership of the project, since the nursery belonged to World Vision. Starving cattle grazed on seedlings. Farmers con-

sidered tree species like pine exotic and uneconomical, preferring fast-growing eucalyptus, fruit-bearing papaya and nitrogen-fixing trees.

Discouraged by years of drought, and humiliated because they could not feed their children, they also felt incompetent when outsiders imposed new ideas; their knowledge and time-honored systems had been pushed aside.

Working with farmers and government officials, development workers revised the program. Satellite nurseries sprang up, tended by local farmers who felt a greater sense of ownership. Guards were hired to keep cattle away from the main nursery. Tree varieties favored by local residents were grown.

A dozen years later, the area not only produces enough for its residents but also exports food to other regions. Nearly 10 million trees have been planted.

Farmers like Zeleke Shawel, 44, who received food aid during the famine, acquired a plot that had a history of flooding and erosion. “I really did not believe

something would come out of those seedlings,” he admits. Today he has thousands of trees. The coffee and most of the fruit trees are cash crops. So are the eucalyptus, which can be used for lumber, fuel and fodder.

The project has increased the standard of living throughout the area. A food deficit of nearly 2,500 tons in 1990 became a surplus of 6,352 tons in 1996. The land is covered with forests at twice the national average.

This success holds hope for other deforested areas. Applying lessons learned here, World Vision is supporting a similar effort at a second Ansoikia site. Together, the two projects reach only one-third of the valley. The program could be expanded, using development aid and private investment.

The United Nations still rates Ethiopia near the bottom of the world table in human development. But the reforestation of Ansoikia gives one hope.

The writer, director of World Vision Ethiopia, contributed this to the Los Angeles Times.

The Y2K Problem? Just a Technical Glitch to Repair

By James K. Glassman

WASHINGTON — The year 2000 problem, or Y2K, is a glitch that makes computers confused about the correct date. It has also led to unwarranted hysteria.

This apocalyptic reaction, spread with gusto on radio talk shows and the Internet, combines strains that have been running through American life for the past few centuries: paranoia, end-of-the-world religiosity, hatred of technology and fear of the future.

To save space, many computer programs were written to express dates with two digits; thus, “98” for 1998. The computers will think that the year 2000 is 1900, with all sorts of weird and dire results predicted.

Banks emptying customers’ accounts to collect debts that computers think are 100 years past due, airplanes falling from the sky, heart pacemakers failing in thousands of chests, missiles being launched by renegade software, millions of elevators getting stuck between floors, welfare checks being delayed for months, etc. No wonder gullible folks are scared.

Hucksters and ignoramus are gaining up pandemonium. Check out the web site at www.Y2KSupply.com, which issues daily e-mail alerts and sells a book that helps you buy “firearms and ammo” and gold and silver at a discount. The site

advises stockpiling food and water and emptying your bank account now! On Jan. 1, 2000, gun shops and grocery stores will be looted, and “the president will declare martial law.”

Even respectable economists are going bonkers. Edward Yardeni of Deutsche Bank Securities sees the Y2K problem causing a recession that will cut U.S. GDP by 5 percent over two years and send stocks down by 30 percent.

Certainly, the two-digit date glitch will cause trouble. I have no question that we’re going to have unusual things occurring,” Alan Greenspan, the Federal Reserve chairman, told a congressional committee in September.

But predictions of gaudy disasters are vastly overblown.

The truth is, no one can be absolutely sure what damage the millennium bug will cause. But it is important to separate loony ideas about the world coming to an end from true technological concerns. For example, it is a good rule in economics (as well as life in general) that something you know about in advance is unlikely to hurt you very much — especially if you can fix it.

“Correcting the year field is technically simple,” wrote Richard M. Nunno in a recent Congressional Research Service report. The hard part is finding all the places in the software where dates are critical, and figuring out how to coordinate with other computers.

That is being done. Most businesses got a late start, but they appear well on their way to “compliance.” A consulting firm that surveyed companies worldwide found that Y2K ranked No. 20 on a list of corporate priorities in 1996, but No. 1 in 1997. U.S. businesses alone will spend \$300 billion to \$600 billion getting their systems ready. No wonder. A company that is not compliant will lose out to a competitor that is.

An extensive study by Merrill Lynch & Co., published in June, looked at thousands of companies worldwide and rated

their level of compliance. The results are encouraging. For example, all 29 Latin American banks that were surveyed “will be compliant.”

Lacking the spur of competition, federal and state government agencies are behind the private sector, but they are hustling. The Social Security Administration, for example, is in great shape, but a survey by the General Accounting Office found that only 6 percent of state Medicaid systems were compliant, raising the specter of delays in benefit payments.

“A bomb shelter mentality is not called for,” said a recent report by GartnerGroup, the high-tech consulting firm. “Preparing for the millennium should be more like preparing for a storm that will last less than a week.”

Unlike Mr. Yardeni, 33 economists surveyed by the Federal Reserve Bank of Philadelphia predicted an average increase of 0.1 percent in GDP as a result of spending to fix the Y2K problem. Many businesses are already repairing their computer systems, a step they probably should have taken long ago.

The Y2K glitch is not likely to be a blessing, but don’t let apocalyptic nuts convince you that it is such a curse that you need to sell your stocks, withdraw your cash, buy guns and stock up on water. Just cool it.

The Washington Post.

Starr’s Agents Wanted Perjury

By Anthony Lewis

BOSTON — At 1 P.M. on Friday, Jan. 16, Monica Lewinsky arrived at the Ritz Carlton Hotel in Pentagon City to meet Linda Tripp. What happened then is well known, but its crucial significance is not.

Ms. Lewinsky was confronted by FBI agents and Kenneth Starr’s assistant prosecutors. She immediately told them, she testified later, that “I wasn’t speaking to them without my attorney.”

Her attorney was Francis Carter. When she was subpoenaed by Paula Jones’s lawyers, she told him she had not had “sexual relations” with Bill Clinton. Mr. Carter prepared, and she signed, an affidavit to that effect.

Mr. Starr’s agents did everything they could, short of physical force, to keep Ms. Lewinsky from calling Mr. Carter. They told her he was a civil lawyer rather than a criminal lawyer “so he really couldn’t help me.” (That was a lie. Mr. Carter is a highly regarded criminal lawyer who for six years headed Washington’s public defender service.)

They told her she had signed a false affidavit and could go to prison for 27 years. They offered to give her immunity if she would “cooperate,” but said there would be no deal if Mr. Carter were called in. (A federal regulation forbids immunity negotiations in the absence of a suspect’s lawyer.)

Why were Mr. Starr’s depu-

ties so anxious that she not telephone Mr. Carter? On that Friday afternoon, Mr. Carter had not yet filed Ms. Lewinsky’s affidavit. Until it was filed, it could be changed.

Mr. Starr knew about the affidavit from Linda Tripp’s last taped conversation with Ms. Lewinsky, and knew from Paula Jones’s lawyers that it might not yet have been filed.

That is why his deputies worked so hard to keep Ms. Lewinsky from calling Mr. Carter. If he knew what was happening, they realized, he would not file it. And they wanted a crime. They wanted perjury to be committed by Ms. Lewinsky so that they would have leverage over her, and by the president when he was deposed in the Jones case the next day.

If Ms. Lewinsky had called that afternoon, Mr. Carter told me, the affidavit “would not have been sent.” But there was no call. At the end of the business day it was sent to the court in Little Rock.

Mr. Carter had shown the affidavit to the Jones lawyers and to Robert Bennett, Mr. Clinton’s lawyer. If he had not filed it, he said, “I would have told them.” So Mr. Bennett would have known of Mr. Starr’s interest in Monica Lewinsky. The president’s deposition on Saturday would have taken another course or been canceled. And the history

of the last 10 months would have been very different.

(Did the president or Ms. Lewinsky commit perjury when they swore that they had not had “sexual relations”? Perjury requires, among other things, proof of deliberate falsehood. In a conversation with Linda Tripp unrelated to any threat of prosecution, Ms. Lewinsky had said emphatically that “having sex” meant “having intercourse” — not oral sex.)

The right to a lawyer is fundamental in the U.S. system. A person accused of crime, the Supreme Court said in the *Scottsboro* case in 1932, “requires the guiding hand of counsel at every step.” Without it, the innocent person may be overborne by what she does not understand.

Police officers occasionally break the rules. It is another matter when prosecutors, who are officers of the court, overbear a young woman to keep her from calling her lawyer. The Starr deputies who were there on Jan. 16 — Michael Emmick, Jackie Bennett Jr. and Bruce Udolf — should surely face questions by the appropriate legal authorities on their fitness to practice law. And Mr. Starr condoned what they did.

None of this excuses the president’s moral folly. But it makes powerfully clear that Mr. Starr is a far more serious menace to the constitutional order than Mr. Clinton is.

The New York Times.

IN OUR PAGES: 100, 75 AND 50 YEARS AGO

1898: Frail Empire

PARIS — The “Times” leader on the Emperor Francis Joseph’s jubilee, says: “A state of things exists which hardly anybody else could hope to conduct to a safe issue. The discontent of the Austrian Germans, the separatist claims of the Czechs and Croats, and the cross divisions due to clerical propagandism have complicated the situation. It is a subject of grave concern that if the Emperor were removed from the scene there is no member of his family who could take his place with anything like the same influence and authority.”

1923: U.S. Isolation

PHILADELPHIA — With the hundredth anniversary of the Monroe Doctrine, Secretary of State Hughes devoted a long address to an inquiry as to the place of that doctrine “in the scheme of the foreign policies of the

United States as a world Power in the 20th Century.” He predicted that, “with respect to the region of the Pacific Ocean and the Far East, to Europe and to its hemisphere,” America will continue her policy of isolation. The Monroe Doctrine remains the essential policy to be applied. To weaken it would support no worthy cause, but would invite trouble by removing the one established safeguard for the peace of the American continents.

1948: Indian Rights

NEW DELHI — The Indian Constituent Assembly adopted a provision in the draft constitution conferring equality of opportunity and public employment on all Indians regardless of religion, race, caste, sex or descent. This followed yesterday’s (Nov. 30) Assembly measure to penalize the practice of untouchability. Every Hindu is an untouchable.

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OPINION/LETTERS

A Clear Line Divides Good And Bad Government

By William F. Weld

BOSTON — There are four main slices in the American political pie today.

The first is the liberal Democrats. They don't get it. This is the Dick Gephardt, unions-all-the-way crowd, which has yet to absorb the lessons of the last 20 years regarding the size and reach of government, the free movement of goods and people across borders and the fatal weaknesses of bureaucracy.

Then there are the Bill Clinton-Al Gore-Bob Kerrey-Bill Bradley Democrats, who by and large do get it, though they would do well to move to the right on tax cuts, tort reform and school choice.

Next there are the George W. Bush-Lamar Alexander-George Pataki Republicans, who also by and large do get it, though some of them should move to the left on abortion rights and affirmative action.

Finally there are the Gary Bauer Republicans of the far right, who really don't get it.

So, what is "it"? It is the recognition that government is good when it does some things and bad when it does other things.

Government is good when it restrains citizens from killing or injuring each other. That is why we Americans need to be tough-minded about criminal

Government is bad when it tries to micromanage anything. Nationalized health care, wage and price controls, and teachers' and school custodians' collective bargaining contracts come to mind.

Government is good when it helps citizens pursue happiness in God's great green earth. Individuals and businesses simply will not protect the environment for our descendants; we need vigorous government enforcement and conservation measures. Backers of so-called property rights should think of this as a proper government response to a market failure.

Government is bad when it tries to manage people's sex lives. Government should stay out of your pocketbook and out of your bedroom.

Government is good when it redresses wrongs. Slavery was wrong. Second-class citizenship for women was wrong. Second-class educational and employment opportunity for members of racial minorities was and is wrong. Affirmative action is abundantly justified.

Government is bad when it obstructs the free flow of ideas, material goods, services or people. Censorship, tariffs and unduly restrictive immigration policies all injure society.

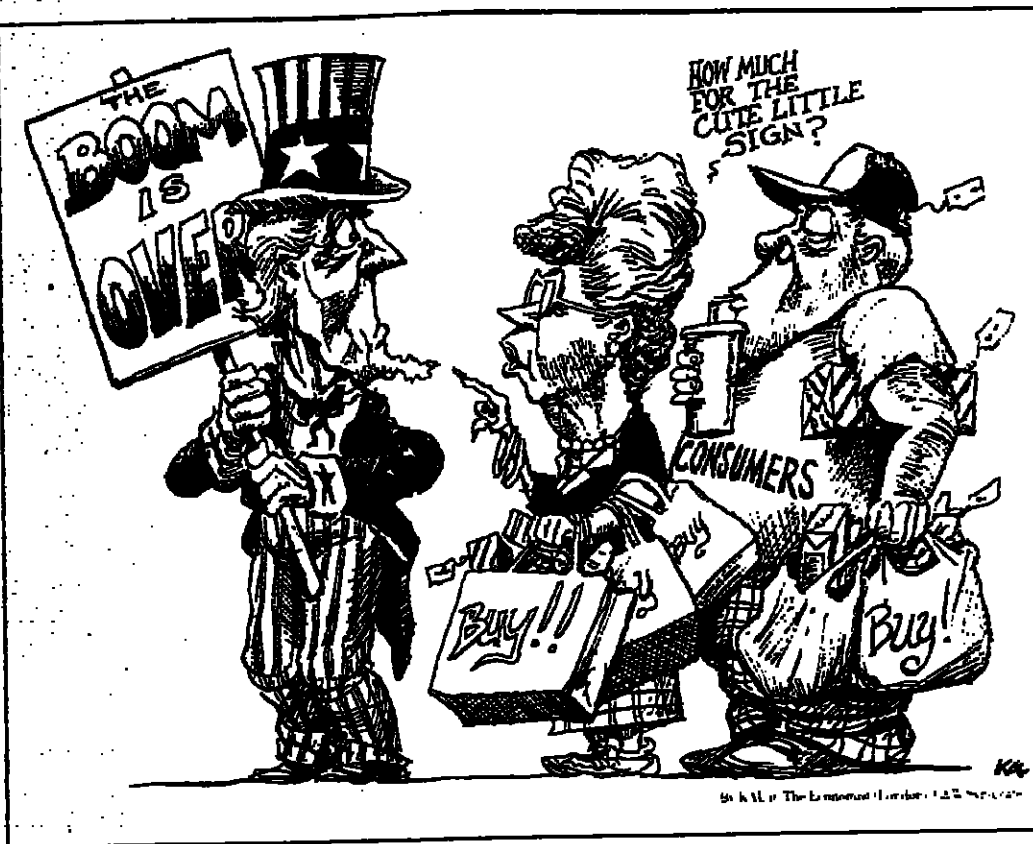
Government is good when it appeals to the better angels of our nature, when it contributes to a sense of community, both at home and abroad.

It is best for government to guide with a light touch here, to be evocative as opposed to prescriptive. This is a point that divides official Washington: Many congressional Republicans seem to have intentionally forsworn this power of government, while both Bill and Hillary Clinton have long embraced it.

Finally, government is bad when its representatives tell people, "We understand more fully than you what's good for you." This is a common failing of the Democratic left, in hock to unions and trial lawyers, and of the so-called Republican cultural right, in thrall to homophobia and xenophobia.

That's "it."

Mr. Weld, a Republican, was governor of Massachusetts from 1991 to 1997. He contributed this comment to *The New York Times*.



LETTERS TO THE EDITOR

Close the Nuclear Club

Regarding "Sanctions Won't Curb Proliferation" (Opinion, Nov. 28) by Joseph S. Nye Jr.:

Mr. Nye makes a common recommendation that is sometimes taken to be innovative: "The United States should offer India and Pakistan advice on the command and control of nuclear weapons, including technical assistance on permissive action links that prevent unauthorized use if they fall into terrorists' hands."

This advice is misguided, since the technical assistance suggested is unnecessary and would undercut the international consensus that India and Pakistan should not be rewarded for their nuclear tests. Sharing command and control technology also sends a message to other states interested in nuclear weapons: The United States will try to stop them from "going nuclear," but once they have crossed the Rubicon it will accept them as nuclear weapon states and supply them with technology.

This goes against Mr. Nye's own recommendation of the expressed consensus of the other states party to the Nuclear Non-proliferation Treaty, which have made it clear that, as far as they are concerned, the nuclear weapon

club is not open to new members. ERIC H. ARNETT, Solna, Sweden.

The writer is leader of the Project on Military Technology at the Stockholm International Peace Research Institute.

Korea's Land Mines

With the Pentagon's recognition that North Korea's ability to overrun the South is disintegrating ("Pyongyang Losing Edge to Invade," U.S. Assessor, Nov. 28), the United States' justification for rejecting the international treaty banning anti-personnel land mines — the defense of South Korea — has crumbled.

ARTHUR H. WESTING, Putney, Vermont.

Animal-Free Medicine

Regarding "Placental Blood: A Simpler Transplant Than Bone Marrow" (Nov. 27):

This article provides a classic lesson in medical history. It serves to illustrate that major medical breakthroughs occur despite, and not because of, experimentation on laboratory animals.

Animal experiments continue to confuse scientists, thereby

delaying medical advances. The highly publicized baboon bone marrow transplant given to an AIDS patient, Jeff Getty, in 1995, was deemed unsuccessful.

Were it not for our fixation with laboratory animals, the idea of using the umbilical cords and placentas of newborn infants to save patients with leukemia, lymphoma and similar blood cancers might have occurred a lot sooner — to the benefit of mankind and without wasting animal lives.

ANDRE MENACHE, London.

The writer is president of Doctors and Lawyers for Responsible Medicine.

It's Not Life and Death

Maureen Dowd just doesn't get it ("Don't Blame the Press for a Job It Had to Do," Nov. 19). The "fickle electorate" to which she refers seems to have a better understanding of the situation, and can therefore make the distinction between "sex and lies" and "life and death." It is precisely because the Clinton scandal is about the former, and not the latter, that U.S. voters said, "Enough."

ROBERT SCHEIBER, Maisons-Alfort, France.

An Absurd Race Secret That Saps Self-Esteem

By Jill Nelson

NEW YORK — The uproar here last week over a white teacher's use of a book called "Nappy Hair" in her third-grade classroom says more about many African-Americans' enduring discomfort with some of the physical features of blackness than about the book or the teacher.

In using the book, Ruth Sherman, a 27-year-old teacher at Brooklyn's Public School 75, stumbled onto a volatile race secret and uncovered a strain of self-hatred in African-American

culture in which most women are fixated on hair, and it is generally held that long, straight hair is the most desirable. If you buy into those criteria, most women of African descent are eliminated from the running. African-Americans learn this early in the value-laden language of hair in our communities. Straight hair has historically been "good," nappy hair "bad."

These attitudes may well have originated in the days of slavery, when relative rewards were given to those slaves who, usually as a result of rape, were of mixed parentage. Too many African-Americans have internalized and passed down these beliefs, as if proximity to whiteness inherently enhanced our worth.

Most African-American women have to deal with issues involving hair, first for ourselves and then for our children. Two decades ago I was worried because my 2-year-old daughter had almost no hair. Well-meaning people reassured me that baldness was a sign she would grow up to have "good" hair. Me, I just wanted her to have hair — good, bad, preferably in different.

Ms. Sherman may have been armed with good intentions, but in using "Nappy Hair" in the classroom she tapped into a well-guarded secret in a community that is often under attack and has much to defend against. I suspect that the negative reaction to "Nappy Hair" springs from misinformation and embarrassment that this young white woman inadvertently exposed both the depth and the absurdity of a race secret.

In writing, "coming on across the ocean from Africa... one nap of her hair is the only perfect circle in nature," Ms. Herron used nappy hair as a metaphor for the tenacity, resilience and creativity of people of African descent. That some read her words as an insult is neither the writer's problem nor the teacher's. It is an issue that must be dealt with by those who use "nappy" not as a description but as an epithet and then attack the messengers who dare to challenge their destructive attitudes.

The writer, author of "Straight, No Chaser: How I Became a Grown-Up Black Woman," contributed this comment to *The New York Times*.

MEANWHILE

culture that in this instance made education an explosive issue.

Written in a gospel-type call-and-response style, "Nappy Hair" is a cheerful story of a young girl with the "kinkiest, the nappiest, the fuzziest, the most screwed up, squeezed up, knotted up, tangled up, twisted up, nappiest hair... you've ever seen in your life."

Apparently the teacher thought the text would build self-esteem among black and Latino students.

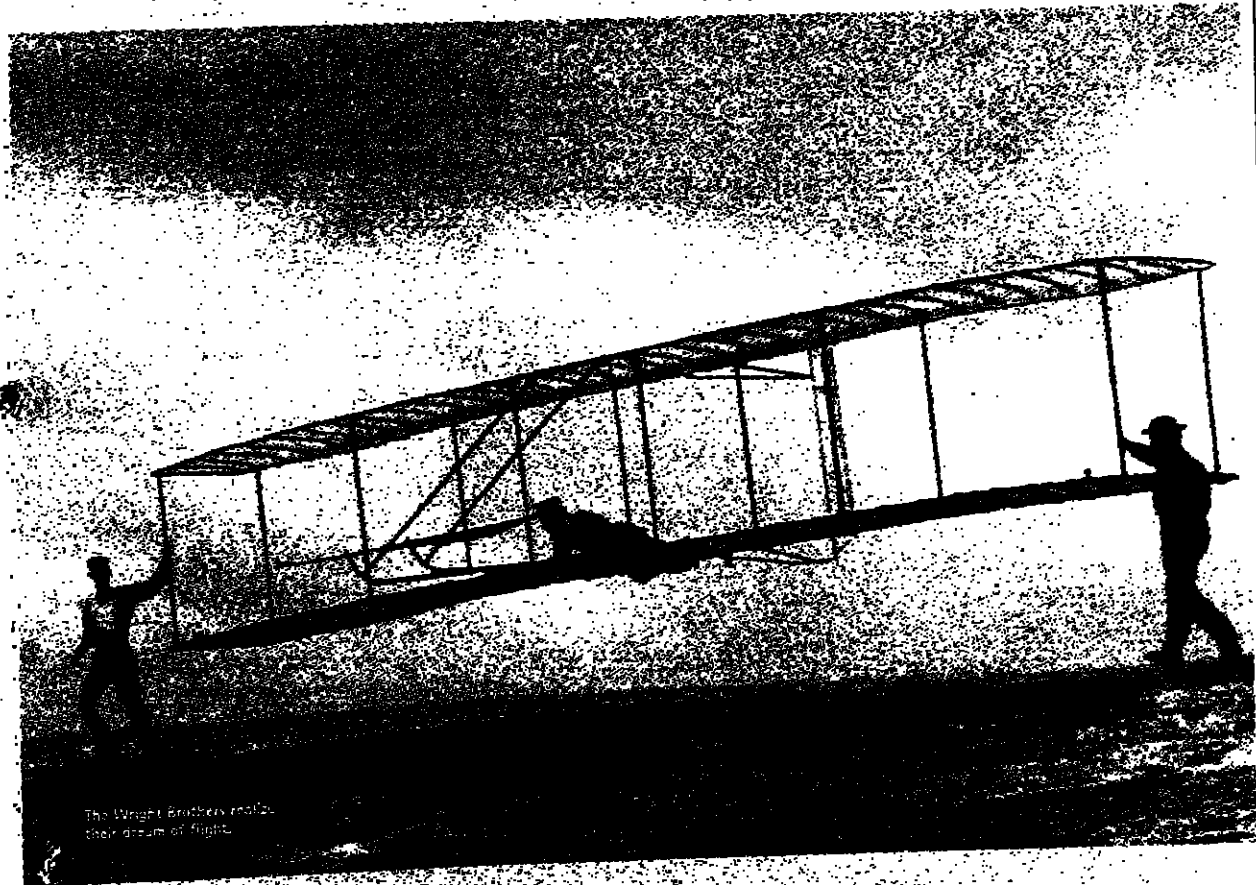
But many of her students' parents thought differently and complained to her superiors. Ms. Sherman was removed from her classroom and temporarily transferred to a desk job; she says some parents have threatened her life.

While Ms. Sherman understood her students' need for positive self-images, it is clear she had no inkling that sometimes barriers to that self-esteem are perpetuated not by the white community but by the black one. Since blacks rarely use the word "nappy" around whites, it is not clear if Ms. Sherman knew that in the black community it is not simply a description of hair texture, but is often used as an insult.

Thankfully, this attitude is not monolithic. The author of "Nappy Hair," Carolivia Herron, an assistant professor of English at California State University at Chico and an African-American, intended the book to be a celebration of a little girl's indomitably unruly hair and spirit.

The story is based on childhood tales that an uncle made up about Ms. Herron, the proud owner of a head full of nappy hair. The author said she was saddened but not surprised by the current uproar.

We black Americans live in a



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INTERNATIONAL

Donors Pledge \$3 Billion to Palestinians

By Barion Gellman
Washington Post Service

WASHINGTON — International donors have pledged more than \$3 billion in financial aid to Yasser Arafat's Palestinian Authority at the American-sponsored conference here aimed at building on the momentum of the interim Israeli-Palestinian accord negotiated in October.

The European Union is the largest overall donor, with pledges of \$2 billion.

President Bill Clinton, who addressed the conference Monday, said the administration pledged to increase the U.S. contribution by \$400 million over the next five years. The increase, if funded by Congress, would be in addition to about \$500 million in existing aid plans for the same period.

The international pledges, on an annual basis, are nearly equivalent each year to the Palestinian Authority's entire \$860 million budget. They would represent about a quarter of the \$3.3 billion Palestinian economy, which has been in sharp decline since the peace process began. Since Israel and the Palestinians reached mutual recognition in September 1993, every Palestinian economic indicator, from employment to per-capita income, has crashed. Adjusted for inflation, the gross domestic product was smaller last year than in 1995.

The United States has spent \$375 million in direct aid and financed \$125 million in loan guarantees since the last such donor conference in October 1993, which produced \$2.1 billion in all for the Palestinian economy. Most of the American funding went to build housing and roads, using Palestinian labor to increase employment, but the larger part of the international contribution went to "budgetary support" — making up for chronic shortfalls in Mr. Arafat's ability to meet the Palestinian public payroll.

"The money is good, and the general feeling and support is good," said the Palestinian planning minister, Nabil Shaath, reflecting a jubilant mood in Mr. Arafat's delegation.

Mr. Arafat has used his American visit to press ahead with his case for statehood. He welcomed the donors' pledges and in a speech Sunday to Arab Americans he predicted that 1999 "will be the year of the independent Palestinian state." He stopped short, however, of repeating threats to declare statehood with or without Israel's consent when the agreed five-year "interim period" of limited autonomy expires May 4.



Deputy Prime Minister Tariq Aziz of Iraq, foreground, raising a salute during a ceremony at the Martyrs monument in Baghdad on Tuesday.

BRIEFLY

UN Aide Asks Iraq For War Document

UNITED NATIONS, New York — The chief UN weapons inspector, Richard Butler, has asked Iraq to hand over immediately a document detailing munitions spent in Baghdad's 1980-1988 war with Iran, according to a weekend exchange of letters released Monday.

Mr. Butler, in a letter to Deputy Prime Minister Tariq Aziz, said Baghdad should surrender a copy of the document, seen in July but not given to inspectors at the Iraqi Air Force headquarters, by Nov. 30. There was no sign that the document had arrived by Monday, but diplomats expect the pressure to continue.

Envoy, Back in Iraq, Denies Saddam Rift

BAGHDAD — President Saddam Hussein's half-brother, Barzan Tikriti, returning home after 11 years as an envoy, is to receive condolences for his late wife, it was announced Tuesday.

According to banners in Baghdad squares, Mr. Barzan is to receive condolences for his wife in the family's home region of Tikrit over a three-day period starting Thursday. Mr. Barzan's wife, a sister of Mr. Saddam's wife, died of cancer in Switzerland last month.

In an interview with a Jordanian newspaper Tuesday, he denied any rift

with Mr. Saddam and said he had decided to return to Iraq to quash media speculation that he was planning to defect. Mr. Barzan served until three months ago as Iraq's envoy to the United Nations in Geneva. He has not returned to Iraq since the end of the Gulf War in 1991. (APF)

Egyptian Rights Aide Accused Over Funds

CAIRO — An Egyptian court ordered a 15-day detention of the secretary-general of the Egyptian Organization for Human Rights, Hafez Abu Saada, and accused him Tuesday of taking foreign funds with the intention of "harming national interests," judicial officials said.

Mr. Abu Saada was summoned to a court hearing after a weekly Al Oubba, accused his organization of "treason" for taking a \$25,000 check from the British Parliament's human rights committee in return for publishing a report in September on police brutality against Coptic Christians. (APF)

For the Record

The U.S. secretary of defense, William Cohen, and President Andres Barranta of Colombia have announced plans to step up military cooperation in the war on drug trafficking, including a pledge to increase Pentagon training of Colombia's armed forces. (APF)

BOOKS

THE WIDOW KILLER

By Pavel Kohout, Illustrated.
391 pages. \$24.95. St. Martin's Press.

Reviewed by
Richard Bernstein

WE are in the world of evil and evil retaliation in this new novel by the distinguished Czech playwright Pavel Kohout, whose works were banned for 20 years in his own country.

"The Widow Killer" takes place in the final months of World War II. Prague senses its imminent liberation, but the evil of the occupation is re-incarnated in the evil of having been occupied. A murderer is loose in the city, a deranged but resourceful figure who performs a series of ritual slayings, gruesome in their details, of German and Czech widows and then, when the Germans begin to withdraw, anoints himself the avenger of his wounded nation.

In the end, a kind of moral reversal takes place in which the victim and the victimizer, the Czech and the German, change places, the one be-

coming criminal as the other strives to atone for his misdeeds.

What starts out, in other words, like a murder mystery, a taut and suspenseful thriller, turns into a powerful and gripping allegory by a writer steeped in the tragic lessons of Czechoslovak history.

"The Widow Killer" is also a provocative book, provocative if only because one of Kohout's two main characters is a German policeman who is a liaison between the criminal police in Prague and the Gestapo. This representative of the Reich, a man at first inclined to assume that the death camps are a nasty rumor, transforms himself into a good man as he helps the police try to catch the murderer.

It is a measure of Kohout's success in this novel that this transformation, which might have come across as contrived, a sappy illustration of human universality, is persuasive in a book that is solidly grounded in both history and psychology.

The story begins in February 1945 when the murderer kills a German resident of

Prague, the Baroness of Pomerania and the widow of a German general who turned against Hitler. On the day of the murder, an Allied bomb has landed in the city and destroyed some buildings.

In the midst of the turmoil caused by the bomb, a young Czechoslovak assistant detective named Jan Morava is assigned by the Germans to investigate the murder. He is supervised in the case by Chief Inspector Buback, a German police official from Dresden who works in the Prague Gestapo.

The Germans claim to be eager to capture the murderer to insure the safety of German civilians in Prague. The real reason is that Buback's superior, the Gestapo chief in Prague, wants to collect information about the Czechoslovak police, the only group in the city that could make serious trouble for the Nazis as the Allied and Soviet armies approach.

What makes Kohout's story effective is, in part, the complicated authenticity of its background. "The Widow Killer" provides a vivid portrait of Prague as the era of Nazi occupation ended and the uncertain future yawned. Kohout evokes the political situation, which included not only Nazi efforts to hold Prague as an escape route for troops on the Eastern front but also the deadly competition between Czechoslovak democrats and Communists, both of whom know the end of Nazi power is only days away.

At the center of the story is the intense, suppressed resentment of the Czechoslovaks toward the occupiers and the inclination of some of them to take on a kind of personal megalomania, embodied in the Prague murder-

er, more mysterious in its way than the Nazi political cruelty that inspired it.

The denouement of Kohout's book comes against the background of the five-day Prague uprising in May 1945 when the Czechoslovaks, led by the Communists, took control of the city from the weakened and demoralized German troops. Morava and Buback become allies in two senses: one, to catch the widow killer, and two, to prevent the Czechoslovaks from taking on the murderous aspects of the departing Nazis.

The action is worthy of a thriller whose ending it would be unfair to give away here. But this is a novel written by a former dissident from Czechoslovakia, most of whose postwar history does not inspire optimism. Indeed, Kohout leaves us with a brief and bitter afterward, indicating that the end of "The Widow Killer" was really just a new beginning for Czechoslovakia, one in which, at least for a time, good and evil become ever more indistinguishable.

"History proves to be the worst atrocities are always committed by the keepers of a sacred truth, who truly believe in their mission." Morava's Czechoslovak superior, a consistent moral voice in this novel, says at one point. "And that mission includes destroying all other truths—which, of course, are nothing but lies—along with anyone who supports them." That statement would seem to be Kohout speaking through the character that represents him in this book, which, like its author, is deep and pessimistic but not unaware that humankind, sooner or later, can learn something from the mistakes of the past.

New York Times Service

BEST SELLERS

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This list is based on reports from more than 2,000 bookstores throughout the United States. Weeks on the list are not necessarily consecutive.		
FICTION		
Rank	Title	Weeks on List
1	A MAN IN FULL, by Tom Wolfe	1
2	MIRROR IMAGE, by Danielle Steel	8
3	WHEN THE WIND BLOWS, by James Patterson	2
4	ALL THROUGH THE NIGHT, by Mary Higgins Clark	5
5	BAG OF BONES, by Stephen King	7
6	THE VAMPIRE ARMAND, by Anne Rice	4
7	THE PATH OF DAGGERS, by Robert Jordan	3
8	THE POISONWOOD BIBLE, by Barbara Kingsolver	6
9	RABBIT SEX, by Tom Clancy	11
10	WELCOME TO THE WORLD, BABY GIRL, by Tameka Faye	10
11	THE LOCKET, by Richard Paul Evans	13
12	THE HAMMER OF EDEN, by Ken Follet	9
13	MEMOIRS OF A GEISHA, by Arthur Golden	12
14	TODAY I FEEL SILLY & OTHER MOODS THAT MAKE MY DAY, by Jamie Lee Curtis	15
15	THE PRESENT, by John Grisham	14
NONFICTION		
1	TUESDAYS WITH MORRIE, by Mitch Albom	1
2	FOR THE LOVE OF THE GAME, by Michael Jordan	3
3	AND THE HORSE HE RODE IN ON, by James Cameron	5
4	CONVERSATIONS WITH GOD: Book 3, by Neale Donald Walsch	16
5	THE PROFESSOR AND THE MADMAN, by Simon Winchester	6
6	THE TEN COMMANDMENTS, by Laura Schaefer and Stewart Vogel	4
7	THE DEATH OF OUTRAGE, by William J. Bennett	12
8	VALUES OF THE GAME, by Bill Bradley	15
9	CONFESSIONS, by Steve Berry	11
10	WITH GOD: Book 1, by Neale Donald Walsch	102
11	LINDENBERG, by A. Scott Berg	7
12	DAVE BARRY TURNS 50, by Dave Barry	14
13	SHAKESPEARE: The Invention of the Human, by Harold Bloom	8
14	A WALK IN THE WOODS, by Bill Bryson	24
15	PURE DRIVE, by Steve Martin	10
16	IS A PIRATE LOOKS AT FIFTY, by Jimmy Buffet	23
ADVICE, HOW-TO AND MISCELLANEOUS		
1	SOMETHING MORE, by Sarah Ben Breathnach	1
2	THE BREAST CANCER PREVENTION DIET, by Robert Aron	2
3	SUGAR BUSTERS, by H. Leighton Steward et al.	27
4	IF LIFE IS A GAME, THESE ARE THE RULES, by Cheri Carter-Scott	7

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THE WORLD'S LARGEST NEWSPAPER

INTERNATIONAL

Bill Gates Gives \$100 Million for Child Vaccines in Developing Countries

By Lawrence K. Altman
New York Times Service

NEW YORK — Bill Gates, the chairman of Microsoft Corp., and his wife, Melinda, will speed delivery of vaccines against four childhood diseases in developing countries.

The gift is believed to be among the largest single private donations ever for health care. It will go to a nonprofit health organization in Seattle.

The donation, being announced in New York City, is the second largest from Mr. Gates, and it comes at a time when he is battling government antitrust charges in U.S. District Court in Washington. But Mr. Gates said in an interview that the donation was part of his expanding philanthropic effort and that the timing is coincidental.

Mr. Gates is the world's wealthiest person, with an estimated net worth of at least \$60 billion. Mr. Gates, who has been criticized for not being more generous, said that he and his wife had

given \$2 billion to create two foundations. A spokeswoman said \$164 million had been distributed. Mr. Gates has also said he will eventually give away about 95 percent of his fortune.

The donation on Wednesday is from one of his foundations, the William H. Gates Foundation, to the Program for Appropriate Technology in Health, a Seattle-based group known as PATH.

It will initially focus on four vaccines against respiratory, diarrheal and liver diseases. Two vaccines prevent respiratory ailments caused by the bacteria *Haemophilus influenzae* type b (Hib) and streptococcus pneumoniae. The other two vaccines prevent rotavirus infection, a diarrheal illness, and hepatitis B, a viral liver disease. The foundation said the four diseases account for about 2.5 million childhood deaths a year, or about one-third of the World Bank's estimate of annual childhood deaths from infectious diseases worldwide.

In the United States, Hib infection, which can cause ear infections and meningitis, has nearly

disappeared, as a result of vaccinations beginning at two months. Hepatitis B vaccine is recommended for routine infant immunization. Earlier this year, the Federal Food and Drug Administration gave marketing approval for an oral vaccine against rotavirus. It is recommended for infants beginning at age 6 weeks. Approval for an improved vaccine for use in infants under two years against streptococcus pneumoniae is expected soon, a spokeswoman for Mr. Gates said.

Mr. Gates and PATH officials said the money, at least in early stages, would be spent finding ways to make the vaccines widely available to children in developing countries.

In recent years, pharmaceutical companies have used genetic engineering and other techniques to make more technologically complex, but more expensive, vaccines. Although such vaccines usually become widely available for children in developed countries, they are out of reach in poor countries.

PATH was founded to improve the health of women and children in this country and abroad.

Dr. James Maynard, a PATH official, said that his group received \$750,000 from Mr. Gates's foundation in 1995, and an additional \$2.1 million this year, to support family planning and related activities.

PATH has developed curricula about birth control, infection prevention, delaying marriage and children. Schools in Kenya and factories in Indonesia have used the material, according to PATH.

A Web site (www.path.org) aims at keeping family planning clinics, particularly those with little financial resources, current about AIDS, reproductive tract infections, female genital mutilation and other important public health issues.

PATH has also focused on providing hepatitis B immunization and has grown increasingly concerned about the cost, distribution and other problems developing countries face in buying the newer vaccines, Dr. Maynard said. Donor fatigue is setting in, Dr. Maynard said, and concern is growing that in some countries, the money spent

on costlier vaccines is taken from budgets to pay immunization workers and support the health system.

Mr. Gates said that he became interested in the vaccine problem through meetings that he, his wife and his father (who heads the \$1.8 billion William H. Gates Foundation) have held with PATH officials and other scientists since February.

PATH's official proposal for a large-scale vaccine initiative came in the last 60 days, Mr. Gates said.

Dr. Maynard said that PATH intended to improve vaccine administration in as many as 18 countries in the next 10 years by developing partnerships with the World Health Organization, Unicef and other international groups.

Aided by the Gates donation, PATH intends to try to lower the cost of vaccines and maintain a steady supply of them through cooperative efforts of pharmaceutical companies, scientists, the World Bank, World Health Organization, Unicef and other bodies.

Pinochet Goes After Heated Dispute With London Clinic

By Warren Hoge
New York Times Service

LONDON — General Augusto Pinochet on Tuesday left the exclusive London hospital where he has spent the last month after officials there expressed irritation over his continued presence and threatened legal action to force him to leave.

An ambulance under police escort emerged from the hospital gates shortly before 7 P.M. local time and headed off to an undisclosed destination. Friends have reportedly been looking for a secure house on a luxurious estate in Surrey, where the former Chilean dictator can stay while his legal problems in England unfold.

His departure put to an end a dispute between General Pinochet and hospital authorities who in recent days bluntly labeled him an unwanted guest.

A spokesman for Grovelands Priory Hospital said he received a clean bill of health two weeks ago and suggested he might be extending his medical stay to avoid appearing at upcoming hearings on his possible extradition to Spain.

In a statement with the chilling tone of a landlord's notice, the hospital said it repeatedly had reminded his advisers of the need for the move.

General Pinochet responded with his own statement, saying he was "distressed" at the "wholly unfounded" interpretation being put on his failure to vacate. Michael Caplan, an attorney for the general, said his client had planned on departing Monday but that plans had fallen through.

General Pinochet is due in court Dec. 11 for a hearing on a Spanish petition to have him stand trial in Madrid on charges of genocide, terrorism and torture in connection with the murders or "disappearances" of 3,179 people during the years after he seized power in Chile in 1973.

The extradition request is under study by Home Secretary Jack Straw, the British law enforcement minister, who alone has the power to interrupt the process and send General Pinochet home. One of the grounds available to him for taking such action is a finding that the 83-year-old general is not physically or mentally fit.

The British government has remained officially aloof from the sensitive diplomatic case, saying it is a matter for the courts. Prime Minister Tony Blair said last week that neither he nor cabinet colleagues of Mr. Straw's anticipate even being consulted about Mr. Straw's decision.

On Tuesday, the government took a detached view to Secretary of State Madeleine Albright's comment Monday that Chile's right and desire to deal with its own past deserved "significant respect." Mr. Blair's spokesman said, "We are entitled to express their views. We don't think there is anything improper about people making their views known."

He said that Mrs. Albright had spoken to Foreign Secretary Robin Cook about the case and that Mr. Cook had explained the legal process and the government's stance of distancing itself from it.

In the House of Commons on Tuesday, one of Mr. Cook's deputies said that the "Pinochets of the future" should take note that Britain had just signed a treaty creating a new international court to handle crimes against humanity. Tony Lloyd, a Foreign Office minister of state, said that the action sent "a strong signal to the Pinochets of the future that their actions simply will not be tolerated anywhere on this planet."

Ever since General Pinochet was arrested in a London clinic Oct. 16, the case has been a lively issue of debate between the opposition Conservatives, who generally condemn the action and believe the general should be freed, and the Labour members of Parliament, many of whom want to see him sent to Spain for trial.

U.S. to Release Pinochet Files

The United States said Tuesday it would declassify and make public documents relating to human rights abuses during the rule of General Pinochet. Reuters reported from Washington.

The State Department spokesman, James Rubin, said, "The administration is conducting a review of documents in its possession that may shed light on human rights abuses during the Pinochet era. We will declassify and make public as much information as possible."



Francois Cornelis, left, the Petrofina chief, listening Tuesday to Thierry Demarest, the Total chief, at the announcement of their planned merger.

DEALS: Oil-Price Drop Nudges U.S. and European Companies

Continued from Page 1

Standard Oil trust, which was brokered up by government regulators nearly nine decades ago. Now, however, the industry is moving in the direction of large companies, according to Lysle Drinker, an analyst at John S. Herold Inc., an energy analysis company in Greenwich, Connecticut.

The deals announced Tuesday "probably just accelerated what was going to happen anyway," he said. "The entire marketplace is shifting to bigger and bigger players."

One reason, he said, was that formerly government-controlled oil companies in several countries have been privatized, "expanding their horizons to other countries, so it's not just Exxon competing against Fina, it's Exxon competing against a multitude of very large,

very well capitalized companies."

While the Exxon-Mobil arrangement seems driven by the opportunities to cut costs, analysts said Total's interest in Fina has to do with reducing its reliance on the upstream part of the business, the exploration for and production of oil.

Total has always been a bit top-heavy in the upstream, which worked to their advantage during times of high oil prices, but in the current period of price weakness, this more integrated approach will serve the company well," Richard Krijgsman of Petrocompagnies in London told Reuters.

Other analysts said Total may have paid too much for Fina, noting that there was also overcapacity in the refining industry. "They've paid over the odds for it," Ronald Wright, an oil-industry analyst at Credit Lyonnais Securities in London, told AFX News. "We think

they may have done it in panic and been influenced by the current merger mania in the sector."

Mr. Drinker of John S. Herold said that Total previously divested itself of U.S. refining assets but would acquire two Texas plants by purchasing Fina. He added that American regulators would probably force Exxon and Mobil to sell some refineries, putting more of these kinds of assets on the market, a negative for Total whether it decides to keep or sell the Fina operations.

There was speculation that Total had to outbid its French rival, Elf Aquitaine. Total's stock fell in Paris on Tuesday, reflecting some disenchantment with the offer. It closed at 618 French francs (\$108.38), down 87 on the day. By contrast, Petrofina rose to 16,875 Belgian francs (\$483.04), up 2,625 francs.

Total said its arrangement called for payment of nine of its shares in exchange for every two shares of Petrofina held by a group of shareholders that collectively own 9.6 million shares, or 41 percent of the company. Many of those shares are owned by entities affiliated with Baron Albert Frere, the Belgian financier who is to become a vice chairman of the combined company.

At Tuesday's closing price, the Total bid is worth 17,111.49 Belgian francs for each Fina share. Total plans to offer other Fina shareholders the same nine-for-two exchange ratio next year.

Exxon is also offering stock in its bid, at a ratio of 1.32015 of its shares for each Mobil share. Stock in both companies weakened Tuesday, with Exxon falling \$3.375 to close at \$71.625 and Mobil down \$2.50 at \$83.50.

BOOKS: Digital Texts Are Starting to Find Their Place Alongside Printed Works

Continued from Page 1

more as a content provider. I look at my 11-year-old son's school backpack, which I worry is ruining his spine, and I can see advantages to electronic books. We know we are standing on the edge of a precipice.

The action that a shift is imminent comes because of several parallel developments. First, electronic book technology is advancing rapidly, with better screen resolution and longer battery life. The cost of such devices is dropping, two kinds of electronic books are on the market for \$300 to \$500 each, and another, for \$1,000 to \$1,500, is due early next year.

All of them allow downloading of whole books from the Internet into their memories, permitting a person to carry many books in one lightweight device. The devices allow word searches and have built-in dictionary functions.

Second, the amount of material available for downloading is now enormous. And third, a generation is coming of age for whom absorbing digital information seems easy and natural.

At Kent State University in Ohio, Roger Fidler, director of the information design laboratory, said he planned to test two kinds of electronic books in classes next spring and fall. The hand-held devices, which weigh 3 to 5 pounds, can store 10 to 15 books downloaded from the Internet.

In Japan, Mr. Fidler said, the automatic distributor of digital magazines, which is to be placed in train stations and airport waiting rooms, could become a model for magazine and newspaper distribution.

The distributor is under development by the Japanese eBook Consortium, a group of about 150 publishing and consumer electronics companies.

One important change in the last few years is the growing use of the Internet for reference works. Texts for physicians, lawyers and other professionals are being put on line, where they can be updated with greater ease and at lower cost than printed texts. Also, a growing number of textbooks have on-line supplements for graphics, pictures and, increasingly, video and audio supplements. Some think it will not be long before the entire books are transferred into digital format.

John Wiley & Sons, which publishes texts for professionals in technical

fields, says that in the coming months two of its standard reference works — the Kirk-Othmer Encyclopedia of Chemical Technology, and the Wiley Encyclopedia of Electrical and Electronics Engineering — will be available on-line. Like most other reference works on the Internet, those books will be accessible for a fee.

That is also the case with an Internet publishing site called Online Originals, which publishes original works of fiction that can be bought on-line for \$7 each.

Some publishers are placing texts on the Web for free, relying on contribu-

tions or advertising for revenue. The Gutenberg Project, for example, has placed thousands of classics on-line.

Also, *Encyclopedia.com* offers, at no charge, a new encyclopedia for emergency-room physicians that was written by 400 doctors. Members of the military in far-flung places and a missionary in Haiti are among those who have told the organizers, Dr. Scott Plantz, a research director at the Chicago Medical School, and Dr. Jonathan Adler of Massachusetts General Hospital in Boston, that they found the site helpful.

The site has been financed primarily by

Dr. Plantz and Dr. Adler, who hope that advertising by drug companies will ultimately allow the site to pay for itself.

"We have up to 400,000 hits a day," Dr. Plantz said.

The market for educational texts was more than \$5.5 billion last year, and the Internet has only expanded that market, which has grown more than 8 percent so far in 1998. If textbooks do move further into the digital realm the potential for profits is likely to be greater still, because that change could reduce the need for warehouses, trucks, returns and, even more significant, the used-book market.

EUROPE: Paris Joins London in Push for an EU Defense Policy

Continued from Page 1

well as in Washington — that Britain will never be a part of any program liable to jeopardize U.S. security ties with Europe.

In the past, hopes for moves in this direction went nowhere because of ambiguous views in Washington about an EU role in defense. Officially, Washington has applauded the idea of getting Europeans to assume a larger share of the defense burden, but many policymakers have feared that the change risked blurring command authority in the alliance.

But Mr. Blair decided this autumn to pursue the overtures from France.

In particular, some U.S. officials fear that an independent European military capability could lead to paralyzing quarrels in the alliance's councils and to political rivalry that could undermine America's role in Europe's military security.

To address this, the French-British blueprint has a formula based on the scale of the threat to be faced. In a major crisis, the European allies' forces, just as they do now, would operate in NATO. But they would also be organized, at least on paper, for smaller contingencies where the European troops could func-

tion as a multinational army under European command, the officials said. In planning for these missions, the European leadership would work within NATO under a new deputy to the alliance's supreme commander.

This dovetails with a 1995 NATO decision allowing Europeans to combine units of their own into special task forces, perhaps borrowing advanced U.S. equipment. This U.S.-backed approach has encouraged French pragmatism in NATO, where France recently volunteered to run a rescue mission for the embattled Serbian province of Kosovo.

Jose Cutileiro, secretary-general of the WEU, said he doubted that Britain and France had decided to scrap the organization, saying it had become "capable of mobilizing the assets of all European countries."

But many European officials have long felt that the WEU is too diffuse. It failed to persuade governments to let it handle the disorders in Albania this year that were ended by French and Italian forces.

Now, the WEU's assets — mainly a military planning team and a center in Spain for analyzing photographs taken by satellites — will be put into "a new ad hoc vessel in the EU," a French official said.

The crucial shift, officials said, occurred this autumn when Prime Minister Tony Blair, reversing Britain's longstanding refusal to discuss defense in EU councils, decided to pursue overtures from France on military cooperation.

Defense — a domain where Britain is a major European power — is the strongest card that the Blair government can play to safeguard British influence as the European single-currency project goes ahead without London.

British aloofness on defense issues had created a risk that France and other EU countries would take positions that conflicted with Britain's interests in joint diplomacy, military cooperation and defense industry.

France has long wanted a defense role for the EU, especially one with decisions mainly in the hands of governments that supply forces. For Paris, a deal is timely in heightening the British-French defense relationship as a reminder to Germany's new chancellor, Gerhard Schroeder, not to dismiss France as yesterday's partner.

Under the new arrangement, France would become even more engaged with NATO without being obliged to budge from its official coldness toward the alliance since the French failed to get command of NATO's southern flank.

"There will be more Europeaness but no dilution of NATO," according to an aide to Mr. Chirac.

He was referring to the idea of a "European caucus" inside NATO that could impair decision-making. The germ of such a caucus is contained in the Amsterdam treaty on EU unification that is due to take effect once it is ratified by France, probably in February.

Mr. Blair seemed to have that deadline in mind in pressing for the new policy now.



Tony Blair decided this autumn to pursue the overtures from France.

SUMMIT: French-German Rift Threatens to Block EU Expansion

Continued from Page 1

pains to explain that they were united in their support for EU enlargement, but they refused to set any dates and acknowledged that further expansion must not take place until the Union carries out complex financial and institutional revisions to accommodate 20 or more members.

"France and Germany agree that Europe can't end its eastern frontier," Mr. Schroeder said. "We want timely negotiation with the entry candidates and we mean timely." For his part, Mr. Chirac said that "reform of the institutions is a prerequisite, but that does not cast any doubt on our will to progress as rapidly as possible."

While Mr. Chirac and Mr. Schroeder

vowed to wage a common fight to solve the jobs crisis in Europe and work more closely on European defense matters, they did not bother to conceal glaring differences on a number of other pressing matters.

Germany's announced intention to close its 19 nuclear power stations holds serious repercussions for France, which stands to lose lucrative waste-reprocessing contracts as well as lucrative joint investments in nuclear power.

France has also expressed anxiety about Germany's questioning of NATO nuclear doctrines, including a demand by Foreign Minister Joschka Fischer for an alliance debate over whether NATO should break with previous policy and pledge never to be first in using nuclear weapons.

France, like the United States, has rebuffed Mr. Fischer's call and contends that renouncing first-use of nuclear weapons would irreparably damage NATO's deterrence capability.

But Mr. Schroeder defended his foreign minister and said that Germany would exercise its right to raise the debate within alliance councils.

On immigration, Germany says it cannot afford to continue taking more than half of the foreigners entering the European Union, and it wants other countries, including France, to accept a larger share of asylum-seekers and would-be immigrants. France has rejected the German request because it fears accepting more foreigners would fuel racial tensions and push more French voters into the arms of the far-right National Front.

Overdue Rescue From the Arctic Wilds

By Kevin Sullivan
and Mary Jordan
Washington Post Service

TOKYO — They survived on cold porridge and canned meat, and endured nightly visits from polar bears who clawed on the door of their two-room hut. For a month and a half, three filmmakers stranded by blizzards on a desolate Russian island, north of the Arctic Circle, mostly sat in the darkness to conserve fuel and communicated by e-mail with would-be rescuers on three continents.

For six weeks the blizzards raged across the mountains of Wrangel Island in the East Siberian Sea, northwest of the Bering Strait. The tiny research hut was in darkness for 21 hours a day, with only three hours of weak twilight. The men had three books between them: one in each of their native languages. By last weekend, their food supplies were nearly exhausted, with no way to get food in or out of the hut.

Then on Tuesday the weather cleared just enough for a helicopter to make the trip across the frozen sea, pick the men up, and carry them to safety on the Siberian mainland. By evening, the men were resting in a hotel in the frontier settlement of Pevek, itself an ice-locked and desolate Arctic outpost, but a welcome sight for

three tired men. "Everybody is healthy and in good humor," Nikita Ovsyannikov, a Russian wildlife expert on the team, told Reuters by telephone from Pevek. "We were in a warm cabin with enough fuel, quite safe and everybody was healthy. The only real problem was that we were running out of food."

"Basically our health is good but we are thinner," Tatsuhiko Kobayashi, a Japanese television producer, told the news service. He said he had lost 8 kilograms (18 pounds) and now weighed about 65 kilograms. "It was very cold," he added. "And we had packed just a few clothes for autumn."

Michael Stedman, managing director of Natural History New Zealand Ltd., a film company co-producing the documentary on Arctic wildlife that the men went to the island to make in mid-September said the three "were in pretty good condition given what they've just gone through — the meager food rations, the extreme cold and the psychological tensions."

One of the trophies of the rescue was the key role played by technology — and its limitations. The world is now so totally wired to the Internet that even three people stranded in one of the most remote and difficult to reach places on the globe were able to send e-mail via a battery-

powered satellite telephone. "It would have been much more horrific without that satellite phone, in the polar darkness with polar bears scratching at the door at night — it wasn't fun," said John Hyde, a producer at the New Zealand company.

There were conflicting reports about who rescued the men. The Russian Ministry of Emergency Situations claimed credit, as did a private emergency rescue service hired by the New Zealand film company. The confusion underscored the delicate nature of the negotiations to rescue the men: a Japanese producer, an Australian cameraman and a Russian guide. Officials close to the talks said that there was tremendous pressure building to get the men out Tuesday.

Officials from several of the governments involved reportedly favored asking U.S. Coast Guard crews and aircraft from Alaska to perform the rescue. The thinking was that the Coast Guard equipment and technology was superior to what the Russians had on hand.

But the Russians were reportedly uncomfortable with the idea of having Americans rescue a Russian in Russia and wanted to get the men out as soon as possible to keep the issue from reaching a head. On Tuesday night, the Japanese television network NHK, the other coproducer of the film, was reporting that



The wildlife expert Nikita Ovsyannikov was among the filmmakers.

the Russian government had arranged the rescue. But officials from the New Zealand film company and AEA International SOS, the private rescue company, said AEA had operated the helicopter that lifted the men out.

The three filmmakers — Mr. Kobayashi, Mr. Ovsyannikov and Rory McGuinness, a cameraman — arrived on Wrangel in mid-September and were scheduled to stay until mid-October. But weather severe even by the standards of the Arctic had prevented them from moving. They were huddled together in a small research hut at Point Blossom.

Reviving Donizetti's Finale

His Birthplace Celebrates a Double Anniversary

By David Stevens
International Herald Tribune

BERGAMO, Italy — The Gaetano Donizetti revival movement has been going on for a few decades now, but it has just posted a red-letter day here with the exhuming of the composer's long-forgotten final opera, "Dom Sebastien."

Part of the problem, despite the richness of the music, is that the work is a five-act French grand opera, written for the Paris Opera when that now almost moribund genre was at its height.

During the Paris rehearsals in 1843, Donizetti was plagued by the continual and unmusical tinkering of his powerful librettist, Eugene Scribe, and by the iron caprices of the prima donna, Rosine Stoltz, mistress of the opera's director. The composer was also contending with the first signs of the final stage of the cerebral syphilis that would soon incapacitate, then kill him.

The first productions in Paris, Vienna and Milan had some success, but this was not durable, and the last notable production was in 1955 in Italian at the Florence Maggio Musicale, conducted by Carlo Maria Giulini.

The revival year was the major and closing event of the extended celebrations — in the Lombard city where the composer was born and died — of the bicentennial of his birth on Nov. 29, 1797, and the 150th anniversary of his death in 1848.

And as befits the occasion, this was a serious business. It is the first use of a new critical edition published by Ricordi, in which Mary Ann Smart had the task of resolving many conflicting or incomplete sources. The production includes the long Act 2 ballet, obligatory for the Paris Opera then but almost always cut now in revivals of French grand opera. And it was sung in mostly commendable French by a mostly Italian cast.

The story is pseudo-history about a real 16th-century king of Portugal who actually died in a lost battle in Morocco. In the opera, however, he survives thanks to a Moorish princess whose life he has

saved earlier. They, of course, love each other, although she is married to the Moorish military chief. Back in Lisbon, Sebastien finds his throne usurped and himself imprisoned as an impostor. The two lovers die in a futile escape attempt.

The ending is oddly abrupt, as if the composer felt things had gone on too long but he didn't know how to stop. Yet, despite the gloominess of the story, there is an abundance of fine solo opportunities for the five principals and a rich lode of ensembles, including a solidly worked-out septet.

The first night cast came off impressively Sunday in roles that, after all, were written for some of the leading singers of the day. Giuseppe Sabbatini was unflinching in the tenor title role (written for Gilbert Duprez), stalwart in unrelenting adversity and heroic in the vocal demands — High C's and D flat included.

Sonia Ganassi was in rich voice and dramatically passionate in the high-mezzo role of Zayda; Nicolas Rivenq, the one Frenchman in the cast, was splendidly flamboyant as the Moorish warrior Abayaldos, and Roberto Servie as Camoens, the soldier-poet, made the most of what are perhaps the opera's best known solos. Enrico Cossutta and Giorgio Surjan were sonorous villains as the usurping Dom Antonio and the really evil Grand Inquisitor, Daniele Gatti, conducting the orchestra of Bologna's Teatro Comunale, was in easy control of the proceedings.

Pier Luigi Pizzi, who staged and designed, demonstrated how to use small means to suggest large events. He kept the action to the front of the stage, broken by flights of steps, while through an ornate frame could be seen background happenings — the departure of the fleet, the desert battle, a prison cell.

The work won an enthusiastic reception on opening night in the Teatro Donizetti, although nothing approached the delirium and tons of flowers accorded the ballet, mainly because of the elegant presence of Carla Fracci, the long-time La Scala prima ballerina.

Although the first two performances (the production is double cast) were in

Bergamo, the orchestra, chorus and ballet are those of the Bologna theater, where this production opens the season on Sunday and will have eight performances through Dec. 23.

A few days earlier, Bergamo mounted a new production of another opera that had a great success in its day but is now a rarity — "Il Furioso all'Isola di San Domingo," which dates from a decade earlier than "Dom Sebastien."

The "furioso" of the title, is Cardenio, who flees to the island after being driven mad by his wife's infidelity. He spends most of the opera in a state of rage, only to be reconciled with his contrite wife at the last second.

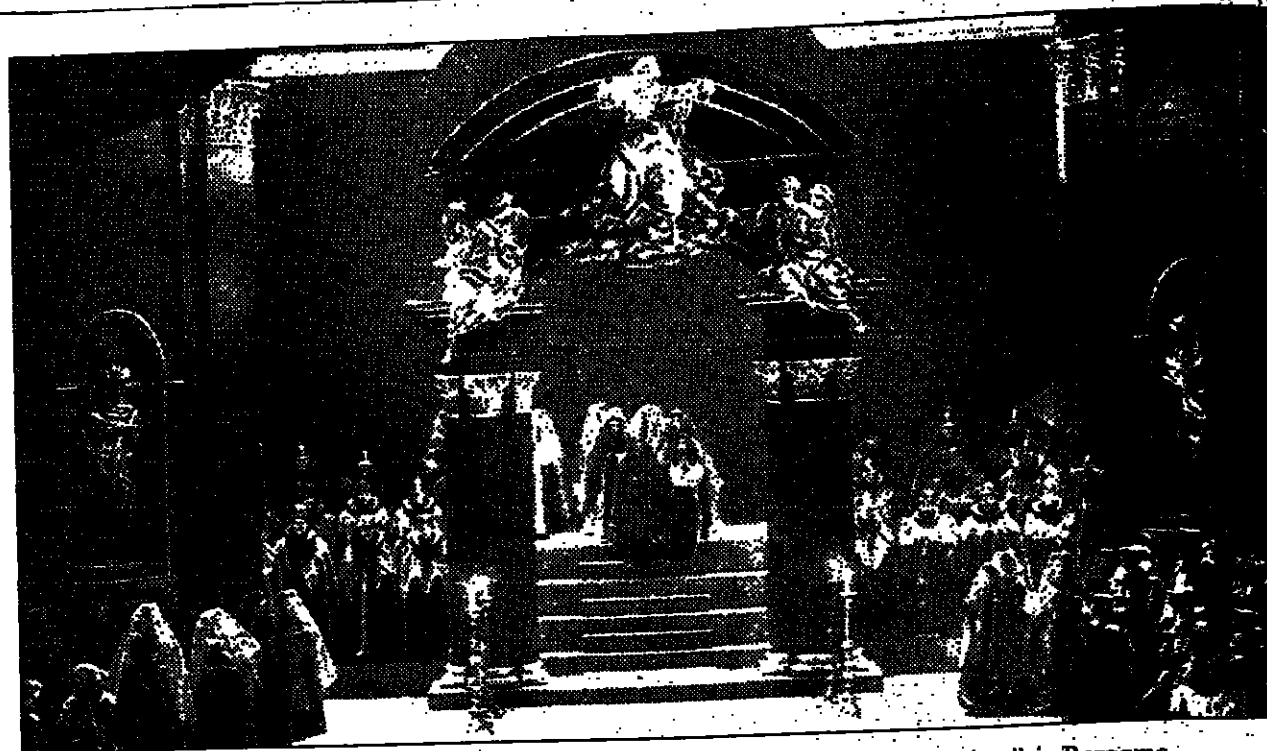
The work falls in the *semiseria* category, which implies at its best a kind of Shakespearean mix of mutually reinforcing serious and comic elements.

But the real importance of this opera is that it provided an outlet for Donizetti's inclination to make the baritone the romantic hero, reinforced by the desire of the Teatro Valle in Rome to give a fat part to the outstanding young baritone Giorgio Ronconi.

THIS he did, and in this production the veteran Renato Bruson delivered handsomely, using his dramatic baritone to express the character's grief and sexual anguish. "Il Furioso" is also rich in well-developed ensembles and in the musical contrast implicit in the genre. Luciana Serra took the role of the errant wife, and Gustav Kuhn was the energizing conductor.

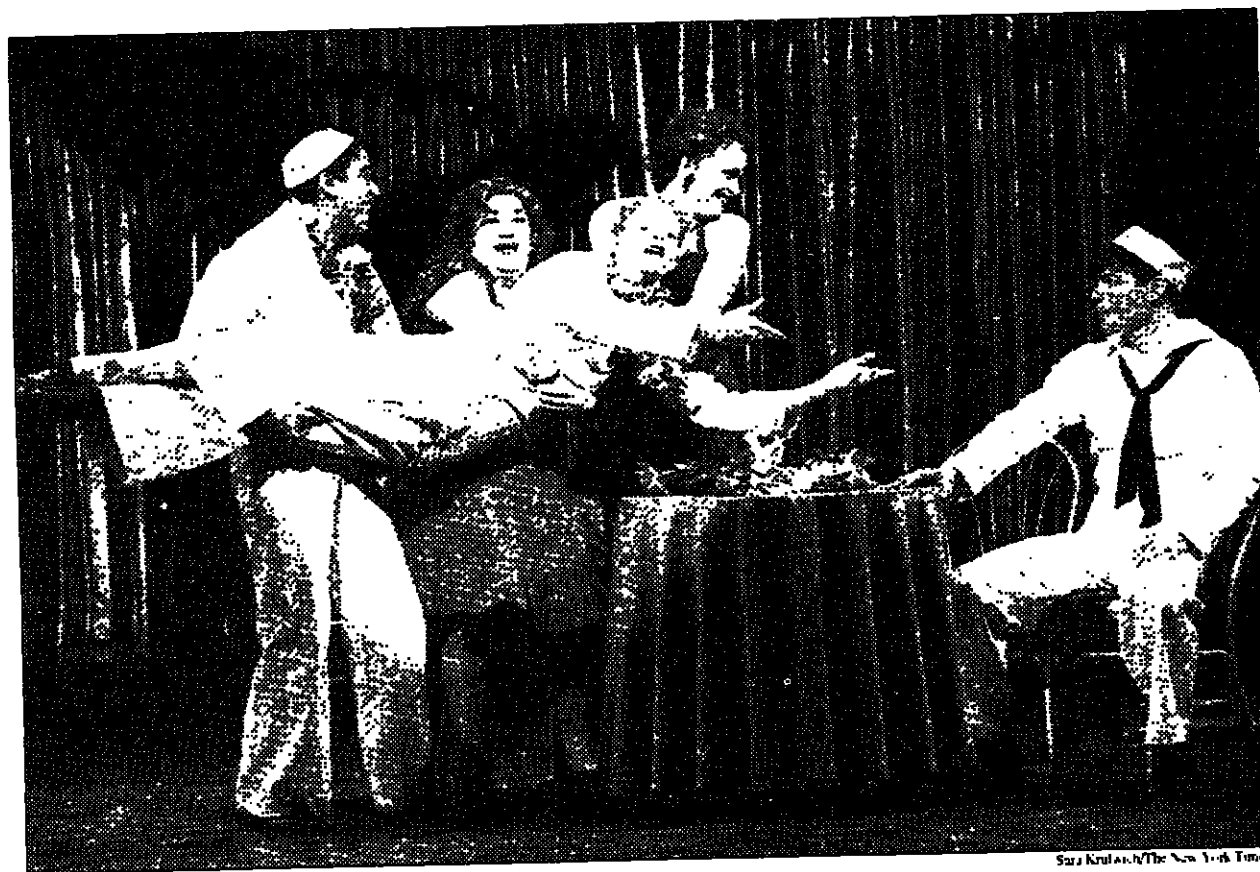
The production, staged by Luca De Fusco and designed by Giuseppe Crisolini Malatesta, had a kind of children's picture-book literalness, with toy storms and shipwrecks to go with the real drama of the music.

Bergamo's all-Donizetti autumn season has also included — besides "L'elisir d'amore" and "Lucia" — a double bill of "Pigmaliote," his first piece written in 1816, and "Rita," composed in 1841. The latter was not performed by the Opera Comique until 1860, and the adolescent Pigmaliote not until a century after that.



A scene from Pier Luigi Pizzi's production of Donizetti's final opera, "Dom Sebastien," in Bergamo.

An Exhilarating 'On the Town'



The three sailors at the heart of "On the Town" and two of the women they meet and fall for.

By Vincent Canby
New York Times Staff

NEW YORK — Manhattan is transformed. The potholes are gone, as are the cabdrivers who don't know that the Bronx is up and the Battery's down. Nobody is trying to sweep the place clean of corruption or sin. Manhattan is an uproarious, singing, dancing city, where nothing is impossible and the future is without limits, at least for a single day.

That is something of the effect of George Wolfe's exhilarating new production of "On the Town" at the Gershwin Theater. If you don't leave this show with an enhanced awareness of the meaning of joy, take out your cell phone and beep your therapist.

"On the Town" is the seminal 1944 musical that, arriving the year after "Oklahoma!," demonstrated that "new" in the American musical theater need not mean simply pastoral. Here is a love letter to Manhattan as the biggest, craziest beehive on earth.

More important, "On the Town" introduced Broadway to the prodigious talents of Leonard Bernstein, the composer; Betty Comden and Adolph Green, who wrote the book and lyrics; and Jerome Robbins as the choreographer, rather than as the dancer.

The original collaborators, led by the director George Abbott, took only six months to get "On the Town" written and on its feet, using as their inspiration the Robbins-Bernstein ballet, "Fancy Free." This revival has been somewhat longer en route, beginning with the Joseph Papp Public Theater production in Central Park in the summer of 1997, which received mixed reviews.

The initial intention had been to transfer the Central Park production to Broadway intact. When the principal Broadway producers withdrew, Wolfe, the Public Theater's producer as well as the director, decided that the Public

would go it alone. A risky decision.

Since then, a couple of choreographers have come and gone, and several of the principals have been replaced. Then, 10 days before the scheduled Nov. 19 opening, the first night was put off three days. At the same time, it was announced that Joey McKneely, who received a Tony nomination as the choreographer of "The Life," was being brought in to fine tune the major dance routines designed by Keith Young, the show's choreographer of record, who is making his Broadway debut with "On the Town."

So, call the coroner? Not at all. The news now: Wolfe has worked a miracle. He has located the essence of the show that eluded him in the park and cast it with spirited young performers who can sing, dance and levitate at will. "On the Town" is on its way. Not in a very long time have you heard a score as richly complex and romantic, combined with a book and lyrics that are so gloriously bright, witty and off-the-wall.

This is a mysteriously bewitching show, originally conceived and staged in its own time and place, about three wildly energized sailors unleashed in wartime New York on a 24-hour pass. Wolfe has made no attempt to update the material or give it the benefit of hindsight. Yet it plays today as if it had been written last week, not as a piece of nostalgia but as living literature.

The show is dated by its wartime period, but its blithe manners, which are those of a cockeyed fable, are timeless. That it can still refresh, surprise and bring you close to tears (of helpless laughter and sweet melancholy) is because it's so resolute in the way it avoids kitsch.

For each of the three sailors at the heart of the adventure, a lifetime is compressed into this single day, no encounter is by chance and every connection has meaning. At the beginning of the show, Gabey, Chip and Ozzie emerge, as if uncaged, into the intoxicating light of New York; at the end,

they disappear back into their ship. Blackout. The end. Maybe curtains.

The unspeakable is obliquely defined in the gorgeous score, in lyrics that can be elegantly discreet (listen to "Some Other Time") and in the choreography. Gabey (Perry Layton Ojeda) is the romantic one. He falls obsessively in love almost as soon as he touches land with Miss Turnstiles, nee Ivy Smith (Tai Jimenez), the subway girl-of-the-moment, whose poster he sees.

Chip (Jesse Tyler Ferguson), a skinny, red-headed fellow with a bendable frame, is more or less captured by the robustly proportioned Hildy Esterhazy (Lea DeLaria), who drives a cab. He wants to visit the Hippodrome and buy a ticket to "Tobacco Road," because that is what his father did in 1934, though both landmarks have now vanished. Hildy's purpose is seduction; they can talk later.

Ozzie (Robert Montano), who has gone to the American Museum of Natural History thinking it was the Museum of Modern Art, finds his soul mate in Claire DeLoone (Sarah Knowlton).

DeLaria, the discovery of the Central Park production, is bigger and better than ever on Broadway, where, three times at the performance I caught, she came close to stopping the show and leaving the audience numb with pleasure.

THE other members of the sextet are also immensely appealing: Ferguson, who is sly, knowing and very funny as DeLaria's cooperative victim; the lantern-jawed Montano and the sweet-voiced, model-preppy Knowlton, and Ojeda, who delivers two of the show's best numbers ("Lonely Town" and "Lucky to Be Me") and Jimenez as Ivy Smith.

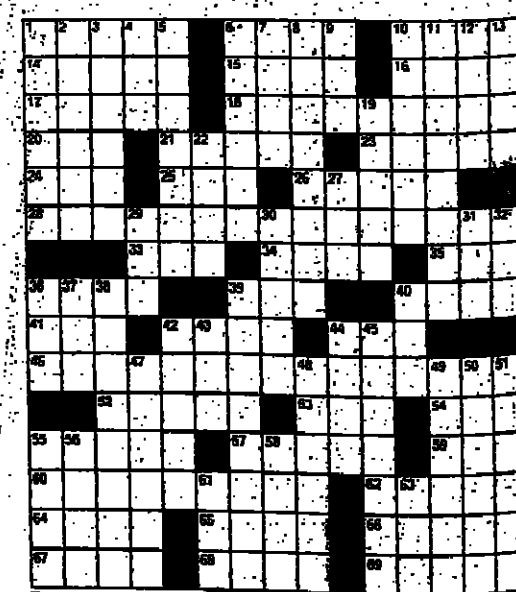
"On the Town" has become a classic, but it clearly hasn't grown old. As it celebrates a very particular time and the marvelous muddles of its exuberantly inchoate characters, it also celebrates life itself. Sometimes, a day is all there is.

CROSSWORD

ACROSS
1 Elbowroom
4 One of the 3 B's
10 Kellogg Foods brand
14 Plant in Flanders fields
15 Double-reed woodwind
16 Prod
17 Mac maker
18 Start of a quip
20 I 95, e.g. Abbr.
21 Fitter away
23 Kind of down
24 "One customer"
25 Actress Aliza
26 Two-toned horses
28 Qup, part 2
33 Signs of distress
34 A lot of a drill sergeant's drill
35 Hoo-ha
36 Take a chance on
38 It may help you "catch up"
40 First
41 Shade of blond
42 Modern summons
44 Genetic letters
46 Qup, part 3
52 Boasted, maybe
53 Chop down
54 Maiden name precursor
55 Actress Gaynor
57 Matrix
59 How the Des Moines R. flows
60 End of the quip
62 A lot
64 Big elephant
65 Result of venting?
68 Part of a spur
67 Five-time Wimbledon champ
68 Season with an M.D.
69 Nuts
19 Brings up
22 Aardvark hare
27 Passe
29 "All systems go"
30 Guys
31 Wordsworth work
32 "Get going!"
36 Wet behind the ears
37 Kabibble
38 Have a good day on the links
39 Can't wait to have
40 Word with whip or NP
42 Kind of acid
43 Snake charmer
44 Mother of Hera
45 The Big Apple
47 Lounging around
48 There may be a catch in it
49 Powerful combination
50 Look for again
51 With vigor
52 Ancient kingdom east of the Dead Sea
56 In that case
58 Invitation letters
61 Chicken king
63 Rock's Fighters

Solution to Puzzle of Dec. 1

ALPS PETS PANEL
MORT IRATE ADORE
BOOR NAUT SENSE
IT MARKS THE SPOT
SOPHIE DOT
PIE ERIN WIG
SIT IN ISON SHOW
UNKNOWN QUANTITY
MOOG AGUE ORGAN
ONS THREE PRE
SAC ROMANO
SYMBOL FOR KISS
SNAIL EAST ECHO
MAPLE AMIE RHEA
UPSET PEER SEAR



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The Pop Star From Above the Arctic Circle

By Mite Zwerin
International Herald Tribune

PARIS — As far as she knows, and although the word "star" bothers her, Mari Boine is the first pop star from above the Arctic Circle.

She started singing as therapy. She did not realize that her voice was anything special. It was embarrassing for her to sing in public. There was no plan to be an artist. The first lyric she ever wrote was based on John Lennon's song "Working Class Hero." The lyrics were in the Sami language, her native tongue. She identified her alienation with Lennon's, although it was focused on culture more than class. Then people began to come up to her and say, "You are singing about me. You are writing my story. They tell her that the music helps them to remember forgotten dreams."

She did not begin to learn the history or the language of her people until she went to teachers' college. "I was taught in

elementary school to hate what I am," she says. "I was ashamed of my language and my culture. It was impressed upon us that we were somehow inferior." Legally, she is Norwegian. For years, she called herself a Lapp, the Norwegian name for her people. All over the world, the Sami people are known as Lapps.

Her first professional move was to enter a song competition. Language was not specified, but the contest, which took place in the north where the Samis are a majority, had always been won by singers singing in Norwegian. But she decided to sing in Sami. The first two years she placed. (She attributes not winning to "racism.") She won on the third try.

Now she was well known in northern Norway. Then she appeared on national television. A play based on her songs was a success in Oslo. She was a Norwegian star now. She began to tour Germany.

In 1989 she released her first CD — "Gula Gula" (Listen Listen). It was about the Earth as mother, about respect for nature and the connection between

humans and nature — essential concepts for her people. The ecology movement took note and identified. There was a call from the rock star and world music patron Peter Gabriel, whose company Real World Records became her distributor. And she was on a larger map.

Her parents were Christian; they brought her up that way. They were loyal to what Boine calls "their colonizers." "We are not accustomed to thinking of Norwegians as colonizers, or as 'racist.' As a matter of fact, Boine smiles while acknowledging a great difference in degree between this particular case and others: "Sometimes I wish we were black," she says. "Norwegians say to me: 'But you look just like me. There is no difference between us. What's the problem, are you making all this up?'"

One of the songs on her new album "Balvostlatnja" (Room of Worship), her sixth, on the Antilles label, includes the lines: "Their hardened talk/Their hardened state/Their hardened smile/

Their hardened laws/Drain me/Suitcase me...."

Although she and her first husband were both Sami, they spoke Norwegian to each other, and to their small child. Finally becoming conscious of this, they decided to try to change. A similar form of awakening was going on with the Inuit and the American Indians to the west. The Sami people have been called "white Indians."

Now Sami is taught in the school in her village, Gamehis-njarga, near the town of Karasjok. Citing an example of the system that keeps them alienated, she points out that a letter from her village to a Finnish town just across the nearby border, maybe 30 kilometers away (19 kilometers), would be routed down to Oslo, across to Helsinki and then all the way back up.

Maybe this does not sound so sinister, but it appears to bother her. Called "the last wilderness in Europe," the Sami country nevertheless straddles four frontiers — Norway, Sweden, Finland and Russia. The wilderness is being increasingly tamed. Motorized snow scooters roar everywhere, and the reindeer are herded by helicopter. Boine comments on this schizoid place and time in another song: "I was born in 1954/Write with a Macintosh/Stars show the way."

While she can feel creeping materialism, Boine is determined not to become pessimistic. It is good that her people are no longer as hungry or as poor as they once were, but she wishes "we didn't have to lose our special personality."



Mari Boine: "It was impressed upon us that we were somehow inferior."

SHE became active in politics and wrote political songs, and now that the number of Sami-speaking people has doubled over the past decade, she likes to think that she and her songs had something to do with that.

Recently she caused something of an uproar by singing in Sami in a church, where she was receiving a prize. Apparently that is still just not done. "People who have been oppressed," she explains, "then go on oppressing themselves. Unconsciously, they try to please the oppressor."

Much of "Balvostlatnja" sounds folksy (she covers "Eagle Man/Changing Woman" by Buffy Sainte-Marie). Other songs are like messages from a bizarre wilderness. There's a lot of rock — backbeats, up-front bass lines, reverb and delays. Now she is trying to make her music more physical, more dance-

able. It had grown perhaps too introverted, too intellectual. She would like it to be more joyful. She has proved to be a dedicated and talented business person, guarding her copyrights in a privately owned company.

Nevertheless she tries to stay relatively clear of the business side and a few months ago, being interviewed for a feature in the powerful international music business weekly *Billboard*, she admitted that, after 18 years in the industry, she had never before heard the magazine's name. (The reporter was appalled.)

Now she has moved to Oslo, although she still keeps a house in the Sami country. (It is tempting, though it would

be inaccurate, to call it "Lapland.") After a six-week tour of Sweden, Germany, Austria, Belgium and France, she is now on her way back up there. Even though, or rather just because, there is almost no sunlight at all, she loves the month of December. That is when she knows exactly who she is.

She is married a second time, to a Senegalese musician, and they spend about a month a year in Africa. Her band has taken on a more international flavor, with two Africans, two Russians and a tabla player from India. They communicate in a combination of Woloff, Russian, Sami and English. Her husband is learning to speak Sami.

The Tale of a Crowded Marriage

Revival of Pinter's 'Betrayal' as 'Art': Stylish but Empty

By Sheridan Morley
International Herald Tribune

LONDON — Of all Harold Pinter's plays, his 1978 "Betrayal" (at the National Theatre), about a three-cornered affair is perhaps the most familiar and easily revivable in the commercial theater.

As so often this season, one could have wished that Trevor Nunn, director of both play and theater, had opted for one of the many Pinters that are more difficult to stage without subsidy. Any one cast in this one has necessarily to compete not only with Penelope Wilton and Michael Gambon and the late Daniel Massey of the original, but also with the movie memories of Patricia Hodge, Jeremy Irons and Ben Kingsley.

These are tough actors to follow, but this time around Nunn is clearly going for the "Art" market — 90 no-intermission minutes, a chic staging that could all too easily be whisked into the West End, but at the center there lies a script as ultimately stylish and empty as a dead bottle of Cinzano.

Pinter's device of starting at the end of the affair and working back over nine scenes to its beginning is nothing new, in that on Broadway, Kaufman and Hart had pioneered it for their "Merrily We Roll Along" back in 1934. When Stephen Sondheim's musical version was in troubled rehearsal almost 20 years ago, a stage manager was famously asked whether it was getting any better. "How good can it get?" came the reply. "It's still backwards."

Once we have worked out that, in Princess Diana's celebrated analysis, three people are apt to make a marriage somewhat crowded, there is



Imogen Stubbs in Trevor Nunn's production of "Betrayal."

pany at both the Vic and the Piccadilly has been the best classical and modern troupe to have hit London in the past decade — and it would be churlish not to acknowledge the financial help he has had from the impresarios Bill Kenwright and Duncan Weldon, as well as from the Mirvishes when they owned the Vic — it is tragic that his curtains should have been so abruptly closed while both the RSC and the National flounder around in search of an identity.

It is also, I have to say, a little sad that he has chosen to go out on one of his very rare losers. Until now, Alan Bennett's "Kafka's Dick" has been the only one of his many stage and television plays that I had never seen, and I wish I had left it that way. It is also more than unfortunate that it should have been revived a few hundred yards away from the Haymarket, where Tom Stoppard's "Invention of Love" is showing precisely how these biographical comedies should be done.

Bennett's special subject here is Franz Kafka (a querulous John Gordon Sinclair), whom we first meet on his deathbed in 1924 Vienna. From there we flash forward to modern Britain, where Kafka's irritable biographer and friend, Max Brod, billets himself on an unsuspecting suburban couple (Julia McKenzie, forever doing something unexpected with avocados, and her henpecked husband, Denis Lill, who is writing a Kafka article for his fellow insurance managers' magazine).

It is not long before Kafka and his domineering father have also joined the household, and so too has the host's father, a magnificently manic Eric Sykes, who is in truth the only reason to see the play at all. Bennett can never quite decide whether he is writing a parody of critical biography or a serious analysis of Kafka's confused mental state, and as a result the play reels around into listless farce.

All in all, a disappointing close for a great company. What we have to work out now is how to get Hall back where he belongs.

not a lot more that "Betrayal" has to tell us. Moreover, to stage it in the vast open spaces of the Lyttelton, rather than in the more intimate Cottesloe, makes the whole affair seem a still more remote, a feeling not improved by some grainy film clips, not by the needless updating to 1998 without any corresponding alteration to the text.

Imogen Stubbs is, as always, enchanting and Douglas Hodge is an interestingly rough-trade Jerry, while Anthony Calf is a somewhat undercast Robert. The mood of the piece is Pinter at his most accessible and comparatively uncomplicated; if anything, "Betrayal" suggests a return to his form as the screenwriter of "The Pumpkin Eater," a similarly chilly and chic tale of unfaithful publishing folk filmed a decade earlier.

Let's be clear about the objection here. Of course Pinter belongs at the National, but not necessarily in what has been proved the most commercially successful of all his plays around the world. Nunn's principled belief that

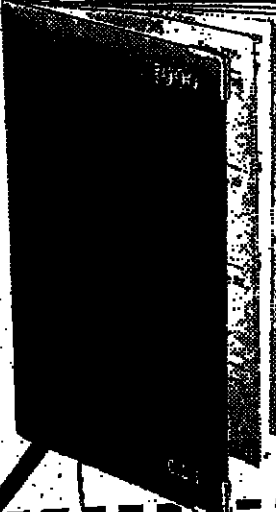
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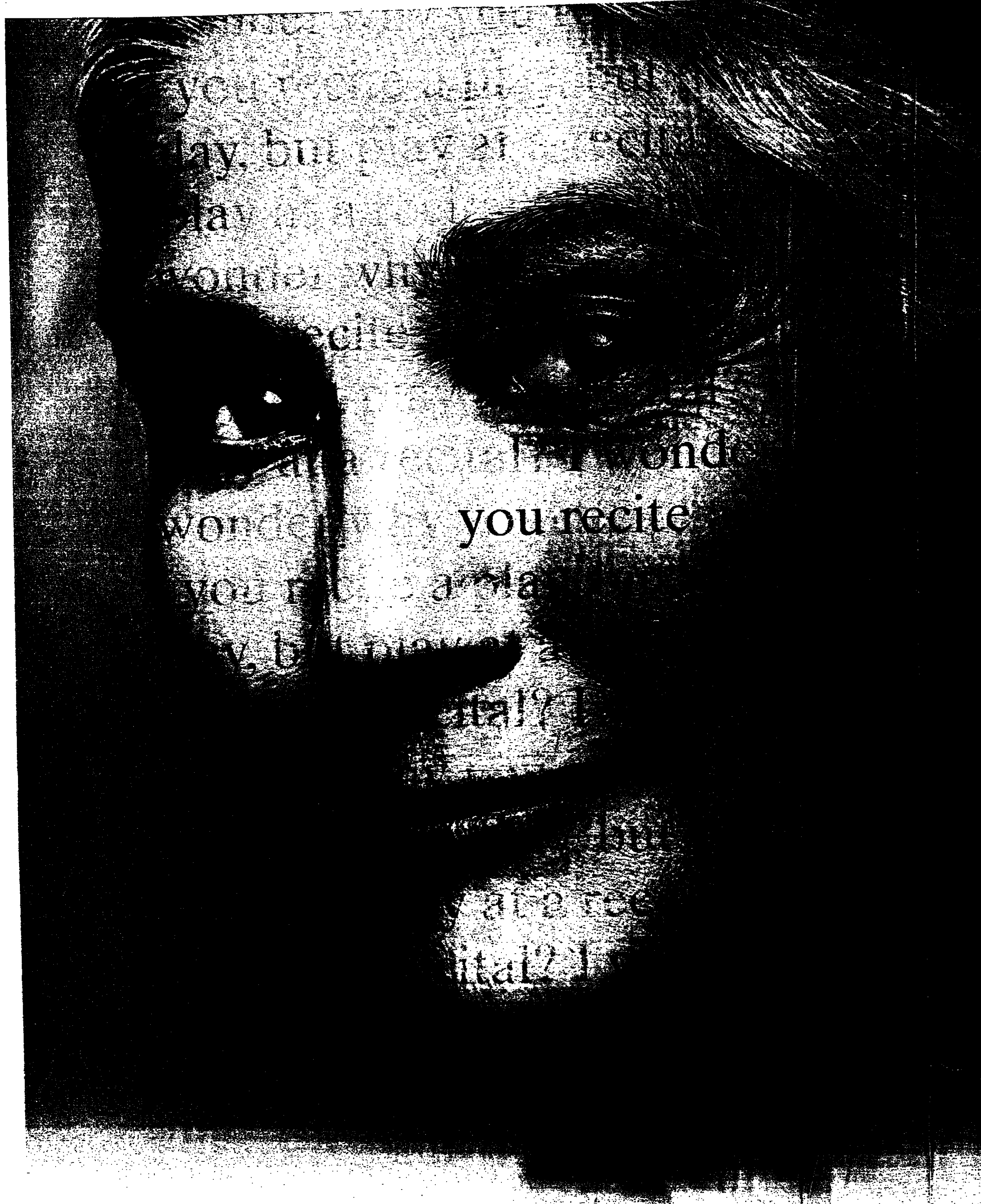
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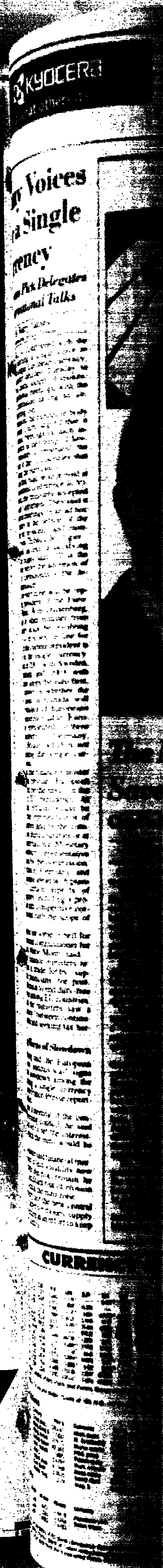
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EUROPE

Budget Confusion Mars Russia-IMF Talks

By Daniel Williams
Washington Post Service

MOSCOW — Russia began talks Tuesday with the International Monetary Fund, but the talks were overshadowed by confusion over the country's budget.

The government announced delays twice Monday in the presentation of its 1999 budget, finally saying it would be released Dec. 10. The delays, however, were another blow to Prime Minister Yevgeny Primakov's efforts to show that his government is in control.

Russia is still hoping the IMF will provide portions of a \$22 billion loan that was withdrawn during the summer and then put on hold when Russia abruptly devalued the ruble in August and defaulted on many debt payments.

The budget delay coincided with official figures that show still darker times for Russia's economy, which is already deep in crisis. The Economics Min-

istry predicted that gross domestic product would shrink 5 percent in 1999, after this year's decline of 3 percent. Overall, the Russian economy has shrunk by almost 40 percent since the breakup of the Soviet Union in 1991. In only one year, 1997, did its GDP grow, and then by a scant 0.8 percent, according to government data.

The new figures confirmed what was already evident on the streets of Russia's cities and the dirt roads of its villages. Shops and restaurants have closed, imports and the retail trade have plummeted, and farm production fell dramatically because of early drought and late heavy rains.

A central bank official said Tuesday that it would take at least two years to restore the country's struggling banking system. Bloomberg

News reported. Hundreds of insolvent banks are being closed, while others are being given new loans and financing to allow them to continue. "We so far have not been able to restore confidence in the interbank market," said Tatyana Paramonova, first deputy director of the central bank. "The loss of confidence between banks and clients is the hardest lesson that's been learned here."

Almost three months into Mr. Primakov's shepherding of the economy, plans for pulling Russia out of its malaise are still mired in discord, particularly as regards the budget.

The Finance Ministry, headed by Mikhail Zadornov, pressed for a low budget deficit and fought to maintain the value-added tax, a steady source of government revenue, at 20 percent. The chief tax collector, Georgi Boos, battled to reduce the

value-added tax to 14 percent, arguing that a lower rate would prompt tax evaders to pay up.

On Friday, the cabinet approved Mr. Boos's plan, and Finance Ministry officials worked all weekend to make budget projections fit. Suddenly on Monday, the level was reset at 15 percent, sending the officials back to their calculators.

In addition to the loans, the Primakov government wants the IMF to bless its negotiations with an array of foreign lenders to reduce debt payments next year. Officials have already said Russia cannot make payments on much of its approximately \$17 billion in debt due next year.

Mr. Zadornov lowered expectations of reaching an IMF accord, saying Mr. Primakov was not arriving with a "briefcase full of dollars."

"At the moment, money is not the main thing we need, although we need that too," he said. "We expect understanding from the IMF and a program to relieve Russia's debt burden."

Lyonnais To Sell Unit In Belgium

Compiled by Our Staff From Dispatches

BRUSSELS — Deutsche Bank AG has agreed to buy the Belgian subsidiary of Credit Lyonnais SA, giving the largest German bank a fourth European retail banking market, a person familiar with the situation said Tuesday.

Analysis said the transaction would cost Deutsche Bank at least 18 billion Belgian francs (\$315.2 million).

Deutsche Bank, which also has operations in Italy and Spain, would gain the seventh-largest Belgian bank, with assets of 465 billion Belgian francs and 38 branches.

Credit Lyonnais must dispose of its Belgian subsidiary as part of the European Union-mandated sale of its retail assets outside France in return for government aid. On Monday, Deutsche Bank said it had agreed to buy Bankers Trust Corp. of the United States.

"Belgian banks are small on a European level, and they need to merge to be able to compete," said Jeanne de Waele, a bank analyst at Poulton in Brussels. She estimated that Credit Lyonnais Belgium would sell for about 1.5 times its book value of 12 billion Belgian francs, or about 18 billion francs.

A Deutsche Bank spokesman in Frankfurt said the bank had held talks with Credit Lyonnais Belgium. He declined to comment on whether the bank would buy the company.

Spokesmen at Credit Lyonnais in Paris and Brussels declined to comment.

Deutsche Bank's offer for Credit Lyonnais Belgium, made in mid-November, was the best of three final bids, an investment banker familiar with the situation said.

Credit Lyonnais shares fell 5.10 French francs to close at 494 (\$86.63), while Deutsche Bank stock fell 4.60 Deutsche marks to 100.10 (\$38.81).

(Bloomberg, AFP)

Peugeot to Add 900 Jobs in Britain

Demand for 206 Model Spurs French Carmaker to Expand Output

LONDON — PSA Peugeot Citroën SA, the French automaker, went against the industry trend Tuesday by announcing that it would increase production and add 900 jobs at its Ryton plant near Coventry in central England.

Peugeot said the extra workload at the plant, which currently has 2,200 workers making its 206 hatchback model, should create 2,000 jobs among regional suppliers.

The employees "deserve a tremendous pat on the back for improving productivity and quality standards that has allowed this expansion to take place," said Richard Parham, Peugeot's managing director for Britain.

Peugeot plans to add a third production shift at the plant by May, raising output to more than 3,400 cars a week from the current 2,500.

The increase in demand for the 206 is in strong contrast with the fortunes of other British-based car factories, a number of plants have cut production because of falling sales.

"The increase in production is required because of the huge pan-European sales success of the 206 range," Mr. Parham said.

The model is also built at a plant in Mulhouse, France. Peugeot said that across Europe it had taken about 180,000 orders for the car since it went on sale in September.

The British trade and industry secretary, Peter Mandelson, welcomed the news of the extra jobs.

"That this investment has been won against strong competition is a telling testament to the flexibility of the Coventry work force and underlines the continuing attractiveness of the location," he said.

Courtaulds Textiles PLC of Britain said it would dismiss 1,220 workers and close eight factories at its recently acquired Claremont Garments subsidiary, Agence France Presse reported from London.

Courtaulds said the measures were necessary to return Claremont, which reported a pre-tax loss of £12 million

(£20.4 million) for its most recent financial year, to profitability.

A total of 1,125 jobs will be eliminated at the eight factories in England, with the other 95 jobs to take place at the headquarters of Claremont businesses, Courtaulds said.

Claremont is a major supplier to Marks & Spencer PLC, one of the leading British department stores, and was bought by Courtaulds in October. It has 5,800 employees.

The chief executive of Courtaulds, Colin Dyer, said: "It was always clear that restructuring would be necessary to restore the profitability."

"We very much regret the need for the proposed redundancies, but these are vital if we are to achieve increased flexibility and cost effectiveness."

Mr. Dyer said Courtaulds had made a review of all its clothing factories and decided "to concentrate our manufacturing on our most efficient sites and those which have the greatest scope for further improvements."

Athens Rescinds Sale of Retailer

Compiled by Our Staff From Dispatches

ATHENS — Greece failed for the second time this year to sell Hellenic Duty Free Shops SA as it annulled Tuesday the sale of the company to a French-Greek consortium.

The government canceled the sale of a 67 percent stake in the chain, the largest Greek retailer, for 82 billion drachmas (\$288.8 million) after the consortium led by Saresco SA of France failed to meet payment terms.

A spokesman said the government would look into "new possibilities" for the sale. It called off the first sale attempt this summer after receiving what it said were unsatisfactory bids.

Restructuring of the public sector, including the sale of state-owned companies, is considered key to the Greece's drive to join the European single currency in 2001.

Hellenic Duty Free's shares fell 8 percent, the maximum permitted in one day, to close at 3,930 drachmas.

(Reuters, Bloomberg)

Investor's Europe

Frankfurt DAX	London FTSE 100 Index	Paris CAC 40
5000	5000	4000
4500	4500	3500
4000	4000	3000
3500	3500	2500
3000	3000	2000
2500	2500	1500
2000	2000	1000
1500	1500	500
1000	1000	0
500	500	0
0	0	0

Exchange	Index	Tuesday Close	Prev. Close	% Change
Amsterdam	AEX	1,948.73	1,900.81	-4.71
Brussels	BEL-20	3,201.81	3,276.28	-2.27
Frankfurt	DAX	4,781.73	5,022.70	-4.80
Copenhagen	Stock Market	866.60	806.88	-1.68
Helsinki	HEX General	4,782.40	4,886.96	-2.18
Oslo	OBX	491.34	514.04	-4.53
London	FTSE 100	5,537.50	5,748.90	-3.59
Madrid	Stock Exchange	820.48	844.96	-2.90
Milan	MBTEL	21608	22374	-3.89
Paris	CAC 40	3,688.34	3,843.38	-4.03
Stockholm	SX 16	3,861.94	3,990.25	-2.74
Vienna	ATX	1,083.48	1,132.57	-3.43
Zurich	SPI	4,292.75	4,462.95	-3.81

Source: Reuters

Very briefly:

- Deutsche Post AG is negotiating to buy Deutsche Postbank, Germany's Finance Ministry confirmed, but it refused to discuss published reports that 30 percent of the state-owned postal bank was to be floated on the stock exchange.
- Deutsche Boerse AG is seeking approval from the Labor Ministry to keep the Frankfurt stock exchange open for trading on the public holidays of Ascension, Pentecost Monday, Corpus Christi and German Unity Day.
- Telecom Italia SpA gave its new chief executive, Franco Bernabè, broad power to negotiate a pay-relief executive. The company did not mention Rupert Murdoch of News Corp., who has expressed interest in its Stream pay-TV unit.
- Denmark's central bank warned that the country's rising current-account deficit and accelerating wages might cause it to raise interest rates to defend its currency exchange-rate policy.
- UBS AG's Warburg Dillon Read unit is getting out of the business of trading in energy and base metals futures and options. The investment-banking unit will eliminate 20 jobs as a result of the move.
- Ireland's Public Enterprise Department said the entry of domestic and foreign companies into its newly deregulated telecommunications market would cut prices by 20 percent.
- Ford Werke AG is suspending production of its Fiesta car model from Dec. 14 to 18 because of low demand.
- Degussa AG's full-year pre-tax profit rose 42 percent, to 741 million Deutsche marks (\$435.4 million), as revenue rose 4 percent, to 15.9 billion DM, led by stronger chemical sales. Asian sales increased slightly, while domestic sales slipped.
- Red October said it had bought a rival Russian candymaker, Petrocon of St. Petersburg, from Kraft Jacobs Suchard AG. There was no confirmation of the deal from the European food unit of Philip Morris Cos.

WORLD STOCK MARKETS

Tuesday, Dec. 1

Daily prices in local currencies

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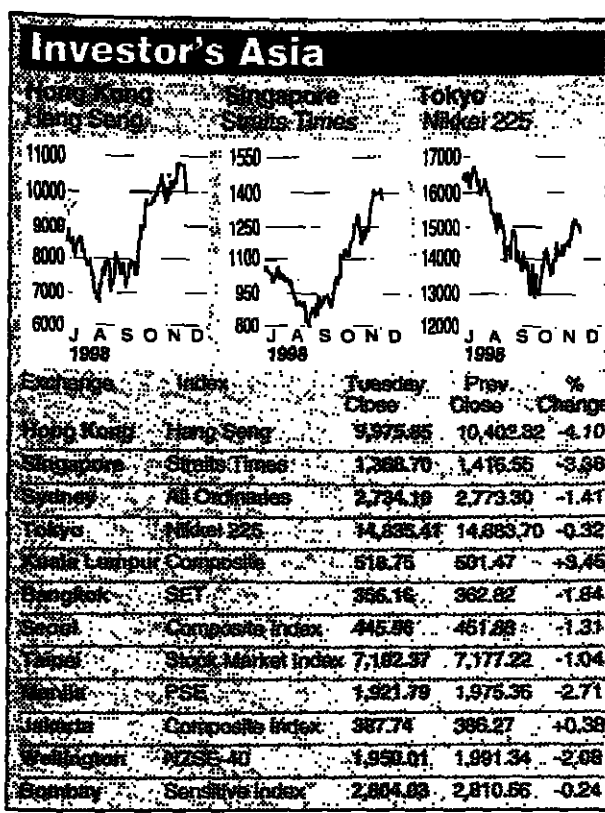
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ASIA/PACIFIC



Kim Asks Chaebol to Speed Restructuring

Bloomberg News
SEOUL — President Kim Dae Jung turned up the heat on South Korean industrial conglomerates Tuesday, seeking pledges of faster restructuring from their leaders.
 Mr. Kim plans to meet next week with the heads of the Hyundai, Samsung, Daewoo, LG and SK groups to extract promises of firm action on restructuring, said Park Jie Won, a presidential spokesman. Further delays could make foreigners less willing to invest in already shaky South Korean industries.

Restructuring the debt-laden conglomerates known as chaebol is a priority for Mr. Kim's administration as it battles the country's worst recession since the Korean War. It

blames the companies for helping destabilize the economy with a rapid, credit-fueled expansion that they remain reluctant to scale back.
 "The meeting is aimed at concluding the question of restructuring," Mr. Park said. "There wouldn't have been any need to take action if everything had worked smoothly."
 Mr. Kim's decision to intervene personally followed a rejection of the five groups' plans to swap some operations with other chaebol. Creditors and a government-led committee assessing corporate restructuring plan the inadequate.

Oh Ho Keun, chairman of the Government Restructuring Committee, said the chaebol had sought

government aid and the rescheduling of debt while trying to avoid responsibility for reckless investment that led to overcapacity.
 "They need to change their way of thinking," Mr. Oh said. "They now think the banking system should aid them, as shareholders have already suffered from accumulated losses. That's the result of their own management mistakes."
 The five chaebol agreed to combine companies in seven industries, including aerospace, petrochemicals and computer memory chips. But Mr. Oh said they had failed to present detailed plans on how to turn around the troubled businesses.

Top economic policymakers met Tuesday to make preparations for

Mr. Kim's talks with the heads of the five chaebol.
 "They ruled that the chaebol must not expect any benefits from their creditors until they have taken serious and substantive steps to clean up the mess they created," said one government aide, who asked not to be identified.
■ Sale of Kia Is Finalized
 Hyundai Motor Co. sealed its 1.18 trillion won (\$947.4 million) acquisition of the bankrupt Kia Motors Corp., Bloomberg News reported.
 Hyundai Motor will pay 40 percent of the total to buy 51 percent of Kia and its Asia Motors Corp. affiliate. The rest will come from several Hyundai Motor affiliates.

AirTouch Joins Japan Venture

Bloomberg News
TOKYO — AirTouch Communications Inc. plans to form a cellular phone venture with Japan Telecom Co. and Nissan Motor Co., the companies said Tuesday.

The venture is aimed at developing a next-generation cell phone that would send moving pictures and speed up transmission of large amounts of data, according to the companies.

Japanese cellular phone operators are developing an advanced cellular phone standard, as capacity for sending data under the current standard — known as personal digital cellular, or PDC — is limited.

AirTouch, the largest cellular phone company in the world, will take a 26 percent stake in the venture, to be called IMT-2000 Planning Corp. Japan Telecom, an international and domestic long-distance phone carrier, will hold 40 percent, and Nissan, the No. 2 Japanese automaker, behind Toyota Motor Corp., will own the remainder.

Miyazawa Is Cautious on Japan Recovery

Compiled by Our Staff From Dispatches

TOKYO — Kiichi Miyazawa, Japan's finance minister, said Tuesday that it was too early to say whether the country's economy had bottomed out.

Mr. Miyazawa, speaking at a news conference after a regular cabinet meeting, was apparently referring to comments last week by the chief of the Economic Planning Agency, Taichi Sakaiya, who said that recent indicators showed that the economy would not deteriorate further.

Mr. Miyazawa's view was echoed by Masaru Hayami, governor of the Bank of Japan, who said he expected banks to remain cautious on lending into 1999 and that he was worried about the economic outlook for the second half of next year.

Japan's economy shrank 0.7 percent in the year that ended March 31, and the government expects it to contract 1.8 percent in the current year as Japan's worst recession in a half-century drags on.

The government has tried various ways to spend its way out of the recession but so far has had little impact. Last week, the Finance Ministry announced that the government's latest stimulus package, valued at as much as 24 trillion yen

(\$194 billion), would include 4 trillion yen in individual income tax cuts and 2.3 trillion yen in corporate tax reductions. Some of the stimulus measures are now being debated in a special session of Parliament.

Mr. Miyazawa said the government should carry out additional tax-cutting measures if they are deemed effective, including breaks on housing loans and education expenses.

The governing party's tax panel will start discussing other tax incentives this week. The body, along with

the tax panel of the government itself, is scheduled to hammer out details of additional tax cuts by late this month. Last week, Mr. Miyazawa said the planned tax cuts might be expanded.
 Mr. Hayami said that while he expected the government's latest stimulus packages to bring the economy a gradual recovery, he was concerned about the outlook for the second half of next year, when the impact of these packages is expected to fade.
(Bloomberg, Bridge News)

Bangkok Delays Law Reform

Bloomberg News

BANGKOK — The government said Tuesday that it would delay new foreclosure laws and the recapitalization of its ailing banks, backing away from part of its financial restructuring plan because of the "complexity" of legal reform that politics and investor demand.

The move was made with the consent of the International Monetary Fund, which imposed tough conditions on Thailand under its bailout package. The delay should not derail Thailand's economic recovery, the

Finance Ministry said after the cabinet approved proposed quarterly revisions to the IMF aid program.

But some analysts said the postponement, coming as Thailand also is backing away from limits on government spending and other pledges in the original IMF plan, could slow or limit any economic recovery.

Many investors consider strengthened foreclosure, bankruptcy and foreign-ownership laws crucial to attracting capital to bolster a financial system in which two-fifths of loans are in default.

Brierley Turns Down Roy Disney

Bloomberg News

WELLINGTON — Brierley Investments Ltd. on Tuesday rejected an improved offer by the Roy Disney family to buy management control of the New Zealand investment company.

Shamrock Capital Advisors Inc., the Disney family's investment vehicle, has been wooing the company's directors for more than a month. Last week it improved its proposal to give Brierley cash in exchange for stock and control, offering to pay more and to set management performance targets.

"I'm not entirely surprised by the turn of events," said Bruce McKay, an analyst at DF Mainland & Co. "Brierley has looked a lot more settled. Suddenly there doesn't seem to be a reason to say they need the money."

In an effort to fend off the unwanted advances, Brierley has been reducing its debt burden to help strengthen its balance sheet. Its debt has been cut to less than 1.9 billion New Zealand dollars (\$1 billion), from 2.6 billion dollars, and the company is now in a better financial position, Brierley said.

Shamrock said it was surprised at the rejection.

"We were given strong signals that we were being very responsive to what certain elements in the company thought were essential to moving forward," Clifford Miller, Shamrock's managing director, said in Los Angeles.

Under Shamrock's offer, it would have had an option to take a stake in Brierley, and would have provided a cash infusion of between 200 million and 600 million dollars in return for management control.

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December 1, 1998

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INTERNATIONAL INVESTING

Global Fund Chief's Favorite Turf Now: Europe

By William R. Long
New York Times Service

NEW YORK — Howard Moss may work out of an office in Port Myers, Florida, but his investment instincts have him going back in the direction of his roots, the University of Liverpool, where he enrolled in 1966.

As manager of the \$1.23 billion Harbor International Growth fund, Mr. Moss works for Jemison Capital Associates, a New York-based money manager that is a subsidiary of the fund for Harbor Capital Advisors of Toledo, Ohio.

But it is a relatively small world these days for Mr. Moss. About the only place he finds the sort of stocks he likes to buy is in Europe, where about 95 percent of the fund's assets are invested. The fund is also concentrated in its number of stocks — just 24 in the portfolio.

Using a bottom-up approach to investing based on corporate fundamentals, Mr. Moss says, he likes well-managed medium-sized to large-capitalization companies with long-term annual earnings growth of at least 15 percent and forward price-to-earnings ratios below that number. That kind of growth is hard to find in rocky economic landscapes such as Asia and Latin America.

His circumspect view may well have sharpened the fund's performance this year. It achieved a return of 14.3 percent through Nov. 20 — notably more than the 8.4 percent return of its better-known value-oriented sister fund, Harbor International, and the 8.3 percent average for its peer group of foreign stock funds, according to Morningstar Inc., the financial publisher based in Chicago.

Over three years, Harbor International Growth has tallied an average annual return of 18.5 percent, compared with 16.2 percent for the sister fund and 9.2 percent for the peer group.

In 1997, as much as 14 percent of the portfolio was in Hong Kong real estate and bank stocks. Mr. Moss reduced those holdings to zero by this summer, though he acknowledged that the Asian crisis still had hurt returns.

Asian companies outside Hong Kong do not tempt Mr. Moss.

"With the debacle of currency devaluations and falls in the stock market," he said, "the companies we used to follow in places like the Philippines and

Thailand, specifically, are no longer viable, in that their market capitalizations are too low for us to become interested." As for Japan, companies such as Sony Corp., Matsushita Electric Industrial Co. and Hitachi Ltd. "have unfortunately become cyclical," Mr. Moss said, in part because of slowing consumer spending.

"They are no longer secular growth companies on which one can rely for consistent earnings growth," he said. So how is Mr. Moss playing Europe? While he foresees no imminent recession there, he expects economic growth to slow to 1.5 percent to 2 percent annually over the next 12 to 18 months from his estimate of 2.3 percent to 3 percent growth this year.

As a result, earnings in cyclical sectors such as chemicals, steel and auto-making are likely to slump, while well-managed noncyclicals — the kind he prefers in any case — should do much better. That points to drug, telephone and bank companies as outperformers.

He says he expects European economic growth "to pick up from the

middle of 2000 going forward." For companies that can expand, he said, the elimination of economic borders in the European Union offers huge opportunities. "From the individual company point of view, this will become the United States of Europe," he said, "so you will see the growth of new pan-European companies."

He predicted that many of those companies would be based in Southern Europe, where, after decades of high inflation and high interest rates, governments have adopted many of the disciplined economic policies of their northern neighbors. About one-third of his fund's assets are invested in Southern Europe, mainly in banks and telephone companies.

The fund's biggest holding, at 6.4 percent of assets, is Unicredit Italiano, a Milan-based bank previously named Credito Italiano. Its chief executive, Alessandro Profumo, is expanding the company, trimming costs and making it "very shareholder-friendly," Mr. Moss said. He said earnings were likely to

compound at more than 20 percent a year and that the share price, which was 9,486 lire (\$5.62) in late trading Tuesday, could double by 2001. He said he started buying the stock last year at 3,400.

Another big position in Southern Europe, at about 5 percent of the fund's assets, is Telefonica SA, which has about 85 percent of the conventional fixed-line telephone business in Spain and 71 percent of the cellular market.

The telecommunications giant, known until this year as Telefonos de Espana, also has major stakes in phone companies in Latin America, where stock prices have tumbled recently. But Mr. Moss said the growth potential of the Latin American telephone industry made those holdings a good long-term asset.

He first bought Telefonica shares in 1994 at about 2,400 pesetas; on Tuesday they were at 6,610 (\$45.69). He predicts earnings growth of 15 percent to 20 percent annually over the next four to five years and said share prices would tend to rise at the same rate.

One of International Growth's newest holdings is Sanofi, a French pharmaceutical company, which Mr. Moss began buying at about 780 francs a share



Howard Moss runs the Harbor International Growth fund from Florida.

in late September. On Tuesday, it was at 983 (\$172.39).

Sanofi has two new cardiovascular drugs — Plavix, a blood thinner, and Avapro, which treats high blood pressure — that it is marketing worldwide with Bristol-Myers Squibb Co. and the

company is expected to announce the purchase of another French drugmaker, Synthelabo, this week.

Its sales have "exploded," Mr. Moss said. He forecasts earnings growth of as much as 25 percent annually for the next five years.

With currencies and stock prices falling, companies we used to follow in places like the Philippines and Thailand are no longer viable.

Very briefly:

• Money held in Japanese postal savings accounts, the world's largest reservoir of deposits, totaled 248.259 trillion yen (\$2.02 trillion) at the end of November, a decline of 35 billion yen from late October, the Ministry of Posts and Telecommunications said. The decrease stemmed from withdrawals by retirees, who receive government pension payments every other month. Those payments were not issued in October. Postal savings accounts offer slightly higher interest rates than banks and are backed by the Japanese government.

• Goldman, Sachs & Co. cut the weighting of equities in its global model portfolio and raised it for bonds, arguing that shares were less attractive after their rebound in recent weeks. Neil Williams, Goldman's global strategist, advised clients to cut global equities to 57 percent of holdings from 60 percent and to raise bonds to 33 percent from 30 percent. Recommendations for cash stayed at 7 percent and for commodities at 3 percent.

• Direct investments in Brazil gave the best returns in the world for U.S. companies from 1995 to 1996, according to a U.S. Commerce Department survey quoted by *Gazeta Mercantil*. According to the newspaper, the

report found that Brazilian subsidiaries of U.S. companies gave an average 8.4 percent net return on investments during the period, compared with a world average of 4.4 percent. Brazil has been engaged in an aggressive privatization program since 1995 that has seen a wave of foreign companies buying up former state companies.

• Nickolas Ashford and Valerie Simpson, creators of rhythm-and-blues hits such as "Ain't No Mountain High Enough," sold at least \$10 million of bonds backed by royalties on some of their songs. The sale was arranged by the New York-based Pullman Group, headed by the investment banker David Pullman, who also led the sale last year of \$55 million in securities backed by royalties on some of David Bowie's music and a \$30 million sale in August for the Motown songwriters Edward Holland, Brian Holland and Lamont Dozier. The benefit to the artists of selling securities backed by royalties is that the artists retain rights to their creations and can raise money without selling off the works completely and without waiting years to amass the money through royalty payments.

Bloomberg, Reuters

VON ERNST GLOBAL PORTFOLIO

SICAV
Luxembourg, 11, rue Aldringen
R.C. Luxembourg N° B 30.176

DIVIDEND NOTICE

The Board of Directors resolved on 26 November 1998 to declare an interim dividend of the following sub-funds:

VB STERLING FIXED INTEREST	GBP 0.46	per share (Coupon N° 13)
EUROPEAN FIXED INTEREST	XEU 0.20	per share (Coupon N° 13)
DM BOND	DEM 0.40	per share (Coupon N° 6)
DM SHORT TERM	DEM 0.30	per share (Coupon N° 6)
GLOBAL BOND	USD 0.35	per share (Coupon N° 13)

These dividends will be payable on 4 December 1998 to all the shareholders registered at the close of business on 30 November 1998 (NAV per 27 November 1998).

The shares will be quoted ex-dividend on 1 December 1998 (NAV per 30 November 1998).

Paying agent: KREDITBANK S.A. LUXEMBOURGEOISE
43, boulevard Royal
L-2655 LUXEMBOURG

By order of the Board of Directors

INTERNATIONAL FUNDS

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December 1, 1998
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The Associated Press.

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SPORTS

Giants Bomb and 49ers Explode

After a Slow Start, San Francisco Turns Up the Heat to Win, 31-7

By Bill Pennington
New York Times Service

SAN FRANCISCO — For the New York Giants, it began with a bomb, but it ended as just another dud.

The Giants' offense momentarily shed its staid, sober image Monday night against the San Francisco 49ers. On the Giants' first play from scrimmage, Kent Graham, the quarterback, connected with wide receiver Ike Hilliard for a startling 48-yard pass play that set up the first Giants touchdown in San Francisco in this decade.

The 49ers were not terribly impressed. With cool efficiency, they slowly rallied, scoring in every quarter and shutting out the Giants for the remainder of the game for a 31-7 victory.

The 49ers' march to the playoffs continues, although they did lose defensive tackle Bryant Young, who collided with his teammate Ken Norton in the fourth quarter and suffered a broken right leg.

As for the Giants, their scant playoff hopes dissolved further as their record fell to 4-8.

The different talent levels of these two teams was obvious, especially in the fourth quarter. It was then that the San Francisco defense thwarted every Giants drive and the 49ers offense wore down a fatigued Giants defense.

But even in victory, the mood at 3Com Park was somber as 49ers players talked about Young, their injured line-man, and the effect of his injury.

"He is a truly respected leader on this team," said Steve Young, the 49ers

quarterback. "On defense, he is the man — the guy they all look up to. It's not an injury we'll overcome easily. But we'll have to do our best."

Midway through the fourth quarter, Norton's helmet struck the defensive tackle's right leg at the end of a run by Graham. Television replays showed the defender's lower leg bending backward as Norton made his tackle attempt.

"I didn't see him because I was spinning around, but I heard his leg crack," Graham said. "I looked down and saw he was hurting big time. It was like he had another joint in his shin."

Graham finished the game with 237 passing yards, completing 21 of 41 passes with one interception.

Graham was especially effective throwing to Hilliard, who had six catches for 141 yards, including the game-opening bomb. That started a drive that finished with Gary Brown scoring on an 11-yard run.

The last Giants touchdown in a game played at 3Com Park, formerly known as Candlestick Park, was a touchdown pass to Odessa Turner during a 34-24 San Francisco victory over the Giants in 1989. The game Monday night was the fifth between the teams since that game.

While the Giants were surprisingly spirited and efficient in their first drive and most of the first quarter, the 49ers seemed out of sync early in the game.

But on a second-and-10 late in the first quarter, Young took one step off the line of scrimmage and threw to his left, where Terrell Owens was waiting. Owens stepped over an inexperienced tackle

by Conrad Hamilton, a Giants cornerback, and then evaded a similar attempt by safety Sam Gaines a few yards downfield before sprinting up the sideline for a 75-yard touchdown that tied the score.

On the 49ers' final possession of the half, Young orchestrated a brilliant 13-play, 90-yard touchdown drive. The key play came on a third-and-3 at the Giants' 10-yard line when Young ran for 9 of his 62 rushing yards in the game.

A one-yard touchdown pass from Young to Irv Smith, who was uncovered in the Giants' end zone, followed on the next play.

Garrison Hearst, who had 166 yards on 20 carries, added a 70-yard touchdown run late in the game.

The game was decided in the third quarter when the 49ers slipped away from the Giants, scoring a pivotal touchdown after the teams traded punts. The Giants got the worst of that exchange — a poor punt, poor coverage and a needless penalty giving the 49ers superb field position for their scoring drive.

Leading the game by 14-7, the 49ers began their possession at New York's 37-yard line. Less than three minutes later, Terry Kirby scored on a seven-yard run, bulldozing the Giants' linebacker Marcus Buckley at the goal line.

The 49ers totaled 466 yards, 300 in the first half. Young was 19-for-33 for 253 yards and two touchdowns, and gained 62 yards on five carries. Owens had five catches for 140 yards, including a 79-yard scoring play, and Hearst rushed for 166 yards, including a 70-yard scoring run, on 20 attempts.



The Giants' tight end Andy Haase, pulling in a pass from quarterback Kent Graham, leaving the 49ers' linebacker Anthony Peterson behind.

Orioles Sign Belle, Paying \$65 Million Over 5 Years

BALTIMORE — Albert Belle became the highest-paid player in the history of the Baltimore Orioles on Tuesday.

The slugger agreed to a \$65 million, five-year contract Monday night and signed with the Orioles before he was introduced Tuesday at a news conference at Camden Yards.

Belle said Baltimore was his favorite team when he was growing up and that Eddie Murray, now a coach for the team, was one of his heroes.

"I finally get an opportunity to come here," he said. "I'm looking forward to working with these guys. They definitely want to go all out to win. This club is definitely a contender."

Frank Wren, the Orioles' general manager, called Belle "one of the outstanding hitters" in baseball.

Wren settled Friday with Belle's agent, Am Tellem, on the financial terms of the deal. But while the sides worked to solidify other issues, Belle did some probing on his own.

According to a source who was in contact with several major league teams, on Monday Belle called Brian Cashman, the New York Yankees' general manager, and Ron Schuler, the Chicago White Sox's general manager, asking if they were interested in him.

New York withdrew its offer last week after Bernie Williams re-signed for \$87.5 million over seven years.

Belle had until Wednesday to return to the White Sox and complete a \$55 million, five-year deal that guaranteed him \$35 million in the next three seasons, but Chicago refused to increase his salary.

So Belle chose the Orioles, who were lagging behind other American League contenders in the free-agent sweepstakes and overlooked Belle's checkered past by offering him one of the most lucrative contracts in baseball history.

The contract ties Belle with Mike Piazza of the New York Mets for the third-highest average salary (\$13 million) behind only Anaheim's Mo Vaughn (\$13.33 million) and Arizona's Randy Johnson (\$13.1 million).

The deal is the sixth highest in total dollars, trailing only Piazza (\$91 million), Williams, Vaughn (\$80 million), Boston's Pedro Martinez (\$75 million) and the Los Angeles Dodgers' Gary Sheffield (\$68.5 million).

Belle hit .378 this year with 49 homers and 152 runs batted in. He led the American League in slugging percentage (.635) and total bases (399).

Puzzled by Bowl Championship Rating? Blame the Computer

Los Angeles Times Service

IN ONE of the strangest twists yet in the six-week life of the Bowl Championship Series rankings, Tennessee — which whacked Vanderbilt 41-0 — lost ground to the two teams behind it, UCLA and Kansas State, even though neither of them played.

In the latest rankings, Tennessee remained first at 4.99 but led No. 2 UCLA, at 5.03, by only four-hundredths of a computer point.

Kansas State held firm at No. 3 with 6.31, the same total it had last week, and the gap between UCLA and Kansas State remained almost unchanged. UCLA improved its position in strength of schedule by one position, from No. 8 to No. 7, allowing it to tack 0.04 onto last week's 1.24 lead over Kansas State.

UCLA received help from its Pacific Ten Conference foes Arizona and Southern California, which scored victories last weekend over Arizona State

Vantage Point/CHRIS DUFRESNE

and Notre Dame, opponents that UCLA did not play this season.

Tennessee, conversely, took a beating by defeating Vanderbilt (2-9) on Saturday, and also took a computer hit from Georgia's loss to Georgia Tech.

Tennessee's Bowl Championship Series rating average of 1.5 and computer ranking of 2.33 did not change, but the Volunteers dropped from 14th to 29th in the strength of schedule category.

The bowl championship ratings Monday only heighten the interest before the high-stakes, triple-header Saturday: Kansas State (11-0) meets Texas A&M (10-2) in the Big 12 championship game in St. Louis; Miami (8-3) is host to UCLA (10-0) in a makeup of the Sept. 26 game, wiped out by Hurricane Georges; and Tennessee (11-0) and Mississippi State (8-3) play in the Southeastern Conference title game.

Only 1.32 rating points separate No. 1 Tennessee and No. 3 Kansas State, yet only the top two schools in the final bowl championship standings next Sunday will play in the Fiesta Bowl on Jan. 4.

If all three of the undefeated schools win, Kansas State would make up the most ground in strength of schedule because the Wildcats have beaten Texas A&M, ranked No. 8. Yet, the Wildcats also have the most ground to make up.

Tennessee should be able to hold onto a top spot with a victory over Mississippi State. UCLA should be in good shape if the Bruins defeat the Hurricanes. But there are too many variables to make take-it-to-the-bank predictions.

Conspiracy theorists should take note: The slightest fluctuation in The Associated Press writers' or ESPN/USA Today coaches' polls, or in the three participating computer rankings,

could shift the balance of power.

In the AP poll, for example, No. 1 Tennessee leads No. 2 Kansas State by only 30 points. Yet, incredibly, two of the 70 voting writers did not turn in their ballots this week.

The race in the coaches' poll is even tighter. No. 2 Tennessee closed to within three points of No. 1 Kansas State.

Should Tennessee pass Kansas State next week in the coaches' poll, UCLA will gain a half-point on the Wildcats in the Bowl Championship Series equation — and more important, the coaches will be off the hook for the potential embarrassment of having their No. 1 team not being able to play in the Fiesta Bowl.

In any case, the coaches have a history of inconsistent voting. Last year, the coaches awarded Nebraska a share of the national title even though Michigan, the coaches' No. 1 team before the bowls, beat Washington State in the Rose Bowl.

This week, UCLA lost a No. 1 vote in the coaches' poll and Kansas State gained one, even though neither school played and three schools UCLA has already beaten — Arizona, USC and Texas — all won.

The coaches refuse to make their votes public, so we will never know if the coach who took a No. 1 vote away from UCLA may have had an ax to grind.

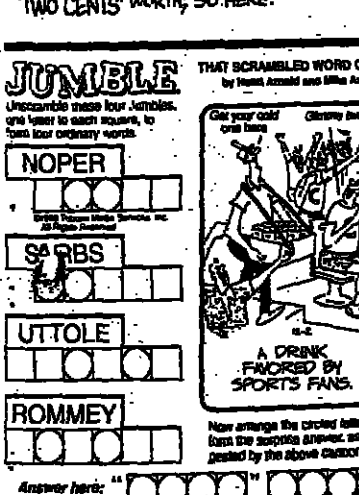
And while the math whiz Jeff Sagarin — whose computer ranking is part of the Bowl Championship Series equation — is assuredly an upstanding fellow, who is checking his numbers? He still maintains that Kansas State will make the Fiesta Bowl if it wins Saturday.

Why shouldn't he sell that concept? Kansas State is No. 1 in his computer. But what if UCLA beats Miami on Saturday but falls from No. 2 to No. 4 in Sagarin's computer, and that becomes the margin that pushes Kansas State past UCLA in the bowl championship rankings?

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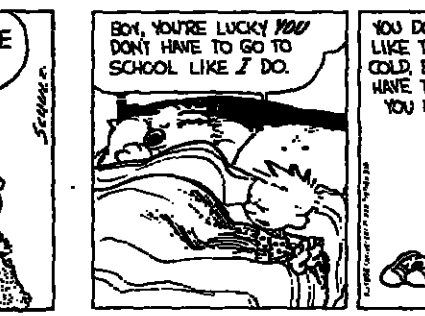
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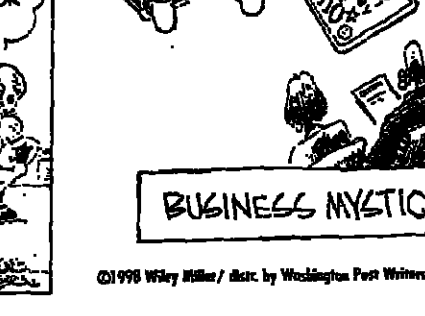
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HONG KONG	HK	1.450	1.350	55%
ITALY	IT	1.450	1.350	55%
JAPAN	JP	1.450	1.350	55%
MEXICO	MX	1.450	1.350	55%
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OBSERVER

Saps, Now and Then

By Russell Baker

NEW YORK — Return with us now to those dreary days of yesteryear when television was black-and-white. Dad was a hopeless sap and Mom was still the virgin mother of two.

We are talking, of course, about the 1950s, and this week's vehicle for taking us back is "Pleasantville." It is a funny and thoroughly confused movie based on the ever popular notion that the 1950s was the black hole of the 20th century.

We can only guess why this misconception is so common nowadays. My theory is that it's because the Fifties was the golden age for parents of today's baby boomers, who now run things and, so, are in charge of revising history.

Their parents had lived in a heroic age, prevailing against poverty and tyranny, leaving their children doomed to know only the unheroic tranquility of peace and prosperity.

Born too late to get in on the big show, and being only human, the children might naturally resent their parents' triumph and take vengeance by belittling what the old folks made of their moment of glory. Which, of course, was the 1950s.

Nowadays the unheroic era of peace and prosperity has degenerated into an age of decadence. In middle age, today's boomers now confront a world of their own making which cannot much comfort their spirits.

What do they see? A society ruled by greed and moral license. A nation whose governing political theory is devil-take-the-hindmost.

You could make a strong case for the thesis that the century's real black hole is

right here, right now, and that it is the creation of people who were "kids" in the Fifties.

"Pleasantville" presents the familiar malarkey in genial, clever, all-in-good-fun style until it loses its head and presents its Fifties reactionaries as homespun Nazi book burners and Kristallnacht window smashers.

The story is a fairy tale about two Nineties adolescents who get trapped in a town created for a 1950s TV sitcom. What a no-fun town! It's all black-and-white. The high school students have never heard of sex. Neither have Mom and Dad. Nobody even knows sex is possible.

The teenage visitors don't put up very long with this deprived state of affairs. The girl, apparently a seasoned slut, soon deflowers the star of the basketball team and pretty soon their example has all the kids in town being naughty up in Lover's Lane.

As sexual activity spreads through town, life becomes richer, better and the population starts losing its black and gray complexion and breaking out in glorious Technicolor. The town is now ready for a Nineties sitcom to move in. The real joke here is on the 1990s, which have no sitcom to compare with the Fifties' "I Love Lucy" and no TV humor at all to compare with the Fifties' Sid Caesar shows. Check out "Saturday Night Live" or "Politically Incorrect."

No, the Fifties decade was not so glorious as old-timers claim, but it had its many excellences. For us here in the Nineties to sneer at the Fifties is as silly as it would be for President Bill Clinton to sneer at General Eisenhower.

New York Times Service

Alice Munro Forsakes Her Lair Only in Stories

By Dinitia Smith
New York Times Service

CLINTON, Ontario — It's hard to get to Alice Munro, to this little town in the rolling farmland of southern Canada. In the autumn light, Clinton seems bleak, a cluster of small undistinguished houses of wood or yellow brick set in rich black soil, overwhelmed by the landscape around it. Clinton is not for the uncourageous. But Munro will never leave. She finds her stories here amid the descendants of the Scottish settlers, with their modest, restrained ways, their short, to-the-point sentences. It's all the material she could ever want. "I love living here," Munro said. "I love the landscape so much — more than love it. It's something I know so thoroughly I don't want to detach from it. I like living in isolation."

Alice Munro has been called one of the best short-story writers in the English language. Her books sell about 25,000 to 30,000 copies a year, very good for a short-story writer. She is a writer other writers admire for her technical skills and the purity of her style. She is known for the complex structure of her stories. A typical Alice Munro story might begin at a point that most writers would consider the end, then jump to a time 10 years later, then back again.

"With Alice it's like a short-hand," said the novelist Richard Ford. "You'll just mention her, and everybody just kind of generally nods, that she's just sort of as good as it gets."

Munro has been awarded Canada's Governor General's Award three times. This month she won the Giller Prize, one of Canada's biggest literary awards. And she always comes back to Clinton.

"It's not a really beautiful landscape," she admitted. But "I love a life apart from the whole world of writing." Every winter she takes a break at her condominium in Co-mox, British Columbia.

Munro's stories are about or-

dinary people: their secrets, their memories of acts of violence, their sexual longings. In "Cortes Island," in her new collection, "The Love of a Good Woman," a would-be writer takes a job caring for an old man, Gorrie. Munro writes that the narrator is aware of "his pungent smell, his jelly eye, his dog's teeth." But she has sexual dreams about him, "pagan" dreams "in which the attack, the response, the possibilities, went beyond anything life offered. And from which romance was banished. Decency as well. Our bed — Gorrie's and mine — was the gravelly beach or the rough boat deck or the punishing coils of greasy rope."

In "Before the Change," another harrowing story in the collection, a woman discovers her father is an abortionist. She assists him as he operates. "He had a series of rods, all of the same length but of a graduated thickness," the character says. "I could not see the actual, intimate progress of these instruments. But I could feel it, from the arriving waves of pain in her body that beat down the spasms of apprehension."

Munro said: "The thing I feel most strongly makes a story is a kind of primordial moment, an awful revelation, that you can't do anything about."

Some stories in the collection are about what Munro calls "a new kind of old woman, women who grew up under one set of rules and then found they could live with another."

The "new kind of old woman" is about 60, has been something of a hippie in her youth, has had a period of irresponsibility, an affair and has sometimes in effect abandoned her children to the care of others.

"We associate old women with conventional sexual morality," said Munro, who is 67. But "a lot of women lived more risky lives than their daughters. You take the risk of being lonely."

Munro's favorite story in her book is "Save the Reaper." A grandmother who had a daughter



Munro has been called one of the best short-story writers.

out of wedlock feels her daughter's resentment. One day the older woman picks up a hitchhiker, a girl, who makes a sexual pass at her. At the end the woman wonders if the girl will ever come back and see her again. But, Munro writes: "The girl wouldn't come. Much better offers would turn up before she'd stood 10 minutes by the highway. More dangerous offers perhaps, but more interesting."

Munro was raised in Wingham, Ontario, 20 miles (32 kilometers) from Clinton. Her father, Robert Laidlaw, was a fox farmer, her mother a teacher. Ancestors have been in Huron County since the 1850s. Her story "A Wilderness

Station" was inspired by an ancestor who was killed by a tree.

Munro's family was poor, she said. When the family farm failed, her father worked in a foundry. He longed to write a novel and finished one just before his death at 75. "The McGregors: A Novel of an Ontario Pioneer Family" was published a short time later.

Munro began writing poetry secretly at the age of 11. She was an avid reader, benefiting, she points out, from the library system that Andrew Carnegie established in Canada. But she was raised to be a farmer's wife. "In my background, ambition isn't valued," she said. "Being modest and ac-

cepting your limitations and trying not to stand out, it's a tribal value. When she was 12, her mother became ill with Parkinson's disease. Munro took over the household until she won a two-year scholarship to the University of Western Ontario. While a student, she sold her first story, to the Canadian Broadcasting Corp.

She also met a fellow student, James Munro, whom she married. The Munros had three daughters: Sheila, now 45, Jenny, 41, and Andrea, 31. A fourth daughter died at birth. Munro struggled to be a mother and a writer. Her husband, she said, was supportive. "Quite early she used to send stories to The New Yorker," he remembered recently. "They came back so fast," he said, that she had the feeling that someone's job was just to send them back. "She had a whole lot of guilt about writing," he said. "Her friends phoned and she wouldn't tell them."

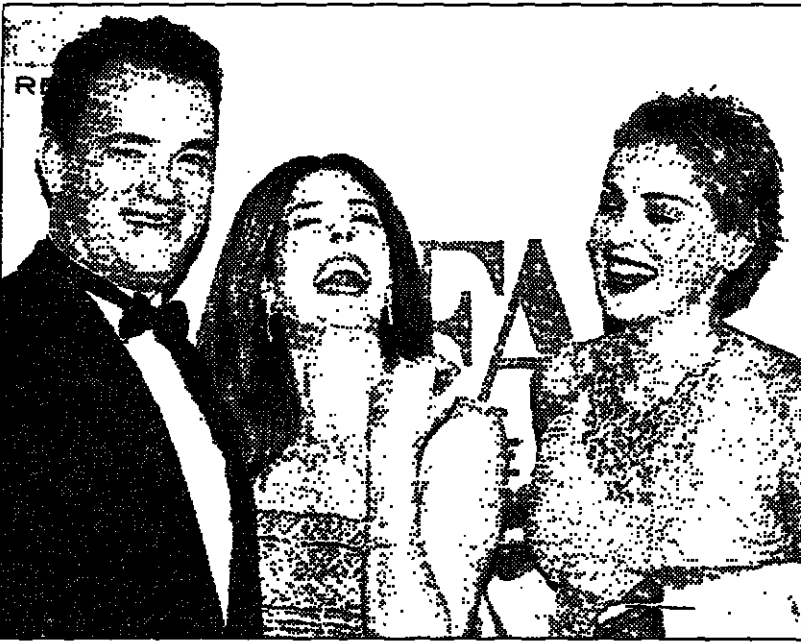
Munro suffered deep depressions. "I was doing two jobs and not doing either one of them as well as I wished," she said of the years spent being a mother and trying to write.

In 1972, Munro and her husband were divorced. Munro moved back to Ontario, from Victoria, British Columbia, and Gerald Fremlin, whom she had known in college, resurfaced in her life. He had gone on to become a geographer. "We drank three martinis," she said, "and we very speedily decided we were going to stay together." They were married in 1976.

Today, Munro lives an isolated life in the small white clapboard house where Fremlin was raised. She begins writing first thing in the morning. She revises extensively and then sends her work straight to her agent in New York. "I would never give my work to anyone to read," she said. "I have too little confidence, not the real confidence to be a writer." She added, "Even Gerry doesn't read my work."

"Yes I do," Fremlin said. "But we don't discuss it."

PEOPLE



ENTER LAUGHING — The actor Tom Hanks; his wife, Rita, and the actress Sharon Stone arriving at the "Seasons of Hope" benefit sponsored by the American Foundation for AIDS Research in New York City.

THE French singer and actress Vanessa Paradis is expecting a baby by the American actor Johnny Depp, the French weekly *Voici* said in its latest issue. They are not married but have thought about tying the knot, the weekly said. Paradis has just finished shooting "Une fille sur le pont" (A Girl on the Bridge), directed by Patrice Leconte, and Depp is starring in Roman Polanski's latest film, "The Ninth Gate."

Ellen DeGeneres says she went into a deep depression after ABC canceled her show this year. "Everything that I ever feared happened to me. I lost my show. I've been attacked like hell. I went from making a lot of money on a sitcom to making no money," she said in the Los Angeles *Times* Magazine. DeGeneres revealed her homosexuality when her character on "Ellen" came out in April 1997. The show's ratings dropped, and it was canceled about a year later.

Sinead O'Connor and Van Mor-

rison lent their voices to a star-studded album released Monday in Britain to raise money for victims of the August bombing in Omagh, in Northern Ireland. The album, "Across the Bridge of Hope," features U2 and Boyzone, and includes a reading by the actor Liam Neeson of a poem written by Shaun McLaughlin, a 12-year-old boy who was killed in the attack. The poem about peace in Northern Ireland inspired the

title of the album. A car bomb planted killed 29 people and wounded 370 in the attack.

The singer and songwriter Janis Ian says she needs surgery to remove a benign liver tumor. The tumor, discovered in August, is pressing on her stomach, causing abdominal pain, Ian said in a statement. No further details

about the tumor or the surgery were released. Ian had her first hit in 1967 with "Society's Child."

A spokesman for Michael Jackson dismissed a British newspaper report that said the pop star was considering sending his 21-month-old son to a British boarding school when the boy reaches high school age. "No one knows anything about this. They make this stuff up," the spokesman, Bob Jones, said. The *Sunday Telegraph* said Jackson had sent a representative to inspect Stowe, in Buckinghamshire, and inquire about booking a place for the child, Prince. The school has declined to comment.

A private book collection was auctioned off in Paris for 23 million francs (\$4 million), as bibliophiles leaped on illustrated medieval books of hours. The collection belonged to Major Paul-Louis Weiller (1893-1993), a World War I fighter pilot who became an industrialist and patron of the arts.

Hollywood Stars Take British Stage Awards

LONDON — The Hollywood actors Nicole Kidman and Kevin Spacey won top honors at the theatrical awards ceremony sponsored by the Evening Standard newspaper.

Kidman, star of David Hare's "The Blue Room," took home a special award for her contribution to the London theater. Kidman's brief run at the Donmar Warehouse theater, for which she was paid the minimum of £250 (\$400) a week, was a sell-out. The play has moved to New York.

Spacey won the best actor award for his performance at the Almeida Theatre in Eugene O'Neill's "The Iceman Cometh." The Almeida itself, which has attracted such movie stars as Juliette Binoche and Liam Neeson to its stage, won an award for "theatrical achievement" of the year.



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